

8. CHILD CARE AND EARLY YEARS SERVICE SYSTEM PLAN 2019-2023 AND PROVINCIAL BUDGET UPDATE

PLAN DE SYSTÈME DE SERVICES DE GARDE D'ENFANTS ET DE LA PETITE ENFANCE 2019-2023 ET MISE À JOUR SUR LE BUDGET PROVINCIAL

COMMITTEE RECOMMENDATIONS

That Council:

- 1. Approve the Child Care and Early Years Service System Plan 2019 – 2023 (Document 1) that establishes ten strategic priorities for the planning, management, and delivery of licensed child care and early years programs and services and the Funding Policy Statements (Document 2).**
- 2. Delegate authority to the Manager, Children's Services, to manage and administer the budget as detailed in this report and allocate all funding according to the Funding Policy Statements in Document 2 provided such allocations are in accordance with provincial guidelines, the strategic priorities in the Child Care and Early Years Service System Plan 2019-2023, and are within approved budgets.**

RECOMMANDATIONS DU COMITÉ

Que le Conseil :

1. **approuve le Plan de système de services de garde d'enfants et de la petite enfance 2019-2023 (document 1) qui présente 10 priorités stratégiques relatives à la planification, à la gestion et à la prestation des programmes et services agréés de garde d'enfants et de la petite enfance, ainsi que les énoncés de politique du financement (document 2);**
2. **délègue au gestionnaire des Services à l'enfance le pouvoir de gérer et d'administrer le budget conformément au présent rapport et d'allouer les fonds selon les énoncés de politique du financement (voir document 2), pourvu que ces allocations respectent les lignes directrices provinciales, les priorités stratégiques énoncées dans le Plan de système de services de garde d'enfants et de la petite enfance 2019-2023, et les budgets approuvés.**

DOCUMENTATION/DOCUMENTATION

1. General Manager's report, Community and Social Services dated 22 August 2019 (ACS2019-CSS-GEN-0011).

Rapport de la Directrice générale, Services sociaux et communautaires, daté le 22 août 2019 (ACS2019-CSS-GEN-0011)

2. Extract of draft Minutes, Community and Protective Services Committee, 29 August 2019.

Extrait de l'ébauche du procès-verbal, Comité des services communautaires et de protection, le 29 août 2019

**COMMUNITY AND PROTECTIVE
SERVICES COMMITTEE
REPORT 5
11 SEPTEMBER 2019**

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**COMITÉ DES SERVICES
COMMUNAUTAIRES ET DE
PROTECTION RAPPORT 5
LE 11 SEPTEMBRE 2019**

**Report to
Rapport au:**

**Community and Protective Services Committee
Comité des services communautaires et de protection
29 August 2019 / 29 août 2019**

**and Council
et au Conseil
11 September 2019 / 11 septembre 2019**

**Submitted on August 22, 2019
Soumis le 22 août 2019**

**Submitted by
Soumis par:
Donna Gray, General Manager/Directrice générale, Community and Social
Services/Services sociaux et communautaires**

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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2019-CSS-GEN-0011

**SUBJECT: Child Care and Early Years Service System Plan 2019-2023 and
Provincial Budget Update**

**OBJET: Plan de système de services de garde d'enfants et de la petite
enfance 2019-2023 et mise à jour sur le budget provincial**

REPORT RECOMMENDATIONS

That the Community and Protective Services Committee recommend Council:

- 1. Approve the Child Care and Early Years Service System Plan 2019 – 2023 (Document 1) that establishes ten strategic priorities for the planning, management, and delivery of licensed child care and early years programs and services and the Funding Policy Statements (Document 2).**
- 2. Delegate authority to the Manager, Children’s Services, to manage and administer the budget as detailed in this report and allocate all funding according to the Funding Policy Statements in Document 2 provided such allocations are in accordance with provincial guidelines, the strategic priorities in the Child Care and Early Years Service System Plan 2019-2023, and are within approved budgets.**

RECOMMANDATIONS DU RAPPORT

Que le Comité des services communautaires et de protection recommande au Conseil :

- 1. d’approuver le Plan de système de services de garde d’enfants et de la petite enfance 2019-2023 (document 1) qui présente 10 priorités stratégiques relatives à la planification, à la gestion et à la prestation des programmes et services agréés de garde d’enfants et de la petite enfance, ainsi que les énoncés de politique du financement (document 2);**
- 2. de déléguer au gestionnaire des Services à l’enfance le pouvoir de gérer et d’administrer le budget conformément au présent rapport et d’allouer les fonds selon les énoncés de politique du financement (voir document 2), pourvu que ces allocations respectent les lignes directrices provinciales, les priorités stratégiques énoncées dans le Plan de système de services de garde d’enfants et de la petite enfance 2019-2023, et les budgets approuvés.**

EXECUTIVE SUMMARY

Assumption and Analysis

The purpose of this report is for Council to approve the Child Care and Early Years Service System Plan 2019 – 2023 (Document 1) that establishes ten strategic priorities for the planning and management of licensed child care and early years programs and services for children from 0 to 12 years old and to delegate authority to the Manager, Children’s Services to manage and administer the budget as detailed in this report and allocate all funding according to the Funding Policy Statements (Document 2) provided such allocations are in accordance with provincial guidelines, the strategic priorities in the Child Care and Early Years Service System Plan 2019-2023, and are within approved budgets. In addition, staff are providing an update on the 2019 and 2020 Provincial budget changes and will include budget mitigation strategies within the draft 2020 operating budget for Council consideration.

As Consolidated Municipal Service Manager (CMSM), the City is legislated to have a child care and early years service system plan for the planning and management of the local system to ensure services are responsive to the needs of children 0 to 12 and families in Ottawa. According to the *Child Care and Early Years Act, 2014* (the “Act”), the plan requires Council approval at least once every 5 years. Staff are satisfied that the Child Care and Early Years Service System Plan 2019-2023 addresses the 14 matters of provincial interest listed in section 49 of the Act and is consistent with policy statements issued by the Minister of Education under Subsection 55 (2) of the Act.

If Council approves the Child Care and Early Years Service System Plan 2019-2023, staff will be submitting the Plan to the Ministry of Education on a voluntary basis, as per the Ministry of Education Memo EYCC05 (dated June 7, 2019).

To inform the Service System Plan, Children’s Services staff collaborated with the Child Care and Early Years System Planning Advisory Group and conducted an extensive environmental scan and broad community engagement exercise with the licensed child care sector as well as local families.

The Child Care and Early Years Service System Plan 2019-2023 (Document 1) establishes a common vision and ten strategic priorities to unite as a city and

progressively respond to better meet the needs of children and families in Ottawa. The priorities focus on increasing access, affordability, quality and responsiveness. This work will also build a strong foundation for the future as child care and early years initiatives continue to evolve.

In the last few years, the Province has made significant investments in the child care and early years sector. This included \$34M in Provincial (Child Care Expansion Plan) and Federal (Canada-Ontario Early Learning and Child Care Agreement) funding to support 2,000 new children with a fee subsidy, significantly reducing the waitlist and \$14.6M in capital funding to create 459 licensed centre-based spaces. This was in addition to previous investments and growth in the sector which has seen approximately 8,963 spaces created between 2013 and 2018, representing a 42 per cent growth.

While these investments are being maintained, the Provincial budget recently outlined significant changes, including a changed threshold for program delivery / administration funding and a new cost-sharing ratio on expansion funding.

In total, these changes represent a budget pressure in 2020 of \$6.3M for the City. Budget mitigation strategies will be included within the draft 2020 budget for Council's consideration.

Staff support the Province's focus to move to a system that reduces costs and administrative burden and are committed to working collaboratively with the Province on finding efficiencies. At this time very few details are known about the magnitude of provincial measures to reduce the administrative burden or when they will be implemented. Unless there are significant changes the City will not be in a position on January 1 to fully mitigate the lost provincial revenue with efficiencies and this will impact services. To mitigate the reduced Provincial revenue of \$2.7M and align the budget to the new provincial allocation would require reducing budget expenditures. Staff estimate that this could impact the following if Provincial efficiencies are not found:

- Delays in achieving our strategic priorities to improve the system to better meet the needs of families;
- Reduced capacity to implement future provincial changes associated with the new child care plan.

- Higher fee subsidy caseloads resulting in less supports for families applying for and looking for help with placement coordination.
- Fewer resources to support child care service providers with provincial programs and program development.

With respect to the 2019 provincial budget, the City's overall allocation has increased by \$2.6M compared to 2018. This increase will ensure the City continues to significantly reduce / eliminate the fee subsidy waitlist.

Public Consultation/Input

Consultation with the sector is an important component of the process informing the integration and transformation of the local child care and early years system in Ottawa. In September 2017, Children's Services created an integrated Child Care and Early Years System Planning Advisory Group (Advisory Group) that provides advice and guidance on the planning, transformation, and management of a child care and early years system in Ottawa. The Advisory Group actively participated in the development of the Service System Plan, by providing feedback and input throughout the process.

In the fall 2018, Children's Services engaged and consulted with over 2,000 parents, child care service providers, other community stakeholders and City of Ottawa staff. The consultations ensured that diverse voices were heard, including those of Francophone, Indigenous, immigrant, LGBTQ families, and families living on low income or who have children with special needs. The consultation showed the unique experiences and perspectives of what is working well, where improvements are needed, and what families and our city want to see in a strong and responsive child care system. The consultation findings were used to inform the Service System Plan, particularly the identification of the ten strategic priorities.

BACKGROUND

Child care is the caring for and supervision of children (ages 0 to 12) in licensed settings (home child care or centre-based child care) as well as before and after school programs. These programs allow families to return to the workforce or school and provide quality services that foster the development of children. Families can also apply for fee subsidy to receive assistance with the cost of child care.

Child and family programs, also referred to as early years services, are free-of-charge programs that provide opportunities for children (ages 0 to 6) to participate in play and inquiry-based programs with parents or caregivers in attendance. These programs also offer workshops and pre- and post-natal supports that assist parents or caregivers in their roles and facilitate access to information and specialized services as needed.

The *Child Care and Early Years Act, 2014* (the “Act”), significantly expanded the role of the City of Ottawa from mostly the delivery agent of the fee subsidy program to that of Consolidated Municipal Service Manager (CMSM). As CMSM, the City of Ottawa has the following legislated duties under Section 56 of the Act:

- (a) Develop and administer local policies respecting the operation of child care and early years services;
- (b) administer the delivery of financial assistance provided by the Minister under clause 54 (1) (b), in accordance with the regulations;
- (c) coordinate the planning and operation of child care and early years programs and services with the planning and provision of other human services delivered by the service system manager;
- (d) assess the economic viability of the child care and early years programs and services in the service area and, if necessary, make or facilitate changes to help make such programs and services economically viable; and
- (e) perform such other duties as may be prescribed by the regulations.

With regards to coordinating the planning and operation of the system to ensure services are responsive to the needs of families, the City is required by the Province to develop a Child Care and Early Years Service System Plan. The service plan must provide an assessment of community needs, be reflective of the engagement of all relevant community partners, establish strategic priorities and outcomes, outline steps for implementation and be approved by Council prior to submission to the Ministry of Education. The previous Child Care Service Plan 2016-2017 (ACS2016-COS-CSS-0007) was approved by Council on April 27, 2016.

With the change to the Act, no additional provincial funding was provided to the City of Ottawa to reflect the expanded role of Service Manager. Over the last few years, additional provincial changes have continued to broaden the role and expectations of the City of Ottawa as CMSM. These changes included the Wage Enhancement Program, administration of Child Care Expansion funding, the Journey Together Initiative, the transformation and management of the early years system (EarlyON Child and Family Centres) and capital funding initiatives. The new initiatives came with the ability to use 10% of provincial funding to assist with program delivery and our role of Service Manager.

In the last few years, the Province has made significant investments in the child care and early years sector. This included \$34M in Provincial (Child Care Expansion Plan) and Federal (Canada-Ontario Early Learning and Child Care Agreement) funding to support 2,000 new children with a fee subsidy, significantly reducing the waitlist and \$14.6M in capital funding to create 459 licensed centre-based spaces. This was in addition to previous investments and growth in the sector which has seen approximately 8,963 spaces created between 2013 and 2018, representing a 42 per cent growth.

DISCUSSION

The purpose of the report is for Council to approve the Child Care and Early Years Service System Plan 2019 – 2023 (Document 1) that establishes ten strategic priorities for the planning and management of licensed child care and early years programs and services for children 0 to 12 years old in Ottawa and to delegate authority to the Manager, Children’s Services to manage and administer the budget as detailed in this report and allocate all funding according to the Funding Policy Statements (Document 2) provided such allocations are in accordance with provincial guidelines, the strategic priorities in the Child Care and Early Years Service System Plan 2019-2023, and are within approved budgets.

In addition, staff are providing an update on the 2019 and 2020 Provincial budget changes and will include budget mitigation strategies within the draft 2020 operating budget for Council consideration.

1. Child Care and Early Years Service System Plan 2019-2023

As Consolidated Municipal Service Manager (CMSM), the City is legislated to have a child care and early years service system plan for the planning and management of the local system to ensure services are responsive to the needs of children 0 to 12 and families in Ottawa and to update and obtain Council's approval of the plan at least once every five years prior to implementation of the service plan priorities (Section 51 of the *Child Care and Early Years Act, 2014* and Section 87.1 of Ontario Regulation 137/15 under the Act).

Subsection 51 (2) of the Act, stipulates that the child care and early years programs and services plan must address the fourteen (14) matters of provincial interest listed in Section 49 of the Act and be consistent with policy statements issued by the Minister of Education under Subsection 55 (2) of the Act on matters relating to child care and early years programs and services that are of provincial interest under Section 49 of the Act.

Staff are satisfied that the Child Care and Early Years Service System Plan 2019-2023 (Document 1) addresses the fourteen (14) matters of provincial interest listed in Section 49 of the Act and is consistent with policy statements issued by the Minister of Education under Subsection 55(2) of the Act.

On June 7, 2019, the Ministry of Education issued Memo EYCC05 advising that the Ministry of Education is postponing the June 30, 2019, deadline to submit child care and early years service system plans until further notice, that Consolidated Municipal Service Managers are not required to submit plans to the Ministry in 2019, that service system planning requirements will be reviewed as part of the broader mandated five-year review of the Act and that the Ministry would be interested in receiving the plans on a voluntary basis.

Accordingly, if Council approves the Child Care and Early Years Service System Plan 2019-2023, staff will be submitting the Plan to the Ministry of Education on a voluntary basis.

The Child Care and Early Years Service System Plan 2019-2023 (Service Plan), will act as a road map for the next five years to make system improvements for the benefits of children and families, by introducing a common vision and ten strategic goals. The

Service Plan was developed in collaboration with our sector partners to respond to the needs and expectations of the community.

Consultations and environmental scan

In the fall 2018, Children's Services engaged and consulted with over 2,000 parents, child care service providers, other community stakeholders and City of Ottawa staff. The consultations also ensured that diverse voices were heard, including those of Francophone, Indigenous, immigrant, LGBTQ families, and families living on low income or who have children with special needs.

The consultation showed the unique experiences and perspectives of what is working well, where improvements are needed, and what families in our city want to see in a strong and responsive child care system. A thorough environmental scan was also conducted to increase the understanding of community demographics, identify service gaps and opportunities, and assist in making evidence-based planning decisions.

High level findings from the consultation and environmental scan include:

- There are approximately 134,000 children 0 to 12 years old in Ottawa, of which 17% are francophones, 3% have Aboriginal identity, and 6.2% are immigrants.
- In general, the socio-economic status of families living in Ottawa is good as they have higher education levels and incomes, lower unemployment rates, and are more likely to be in the labour force in comparison to the Ontario averages.
- 83% of parents are satisfied with their existing child care arrangements.
- Parents indicated that location of child care close to home (less than 20 minutes in travel time) is the most important factor in their child care decision;
- 38.5% of all younger children (infants, toddlers, preschoolers) have access to a licensed child care space, almost meeting the access target of 40%; however, the licensed child care capacity varies considerably across neighborhoods;
- Access to child care is more limited for infants, children living in rural areas, Indigenous children, children requiring part-time care, and children with special needs;

- Parents indicated that they need more information and supports to understand and access different child care options, the Child Care Registry and Waitlist, and the fee subsidy program;
- Annual centre-based full-time child care costs for younger children range from an average of approximately \$12,100 for preschoolers to \$19,700 for infants.
- Cost of care is unaffordable for the majority of families with costs exceeding 20% of after-tax income.
- Child care rates vary significantly between licensed child care providers across the city.
- Eight out of ten parents and child care service providers indicated that warm and positive interactions between providers and children is the most important factor for quality child care.
- The recruitment and retention of qualified Registered Early Childhood Educators is a significant issue for child care and early years service providers, especially in the Francophone and Indigenous communities;
- The capacity to care for children with special needs varies between child care service providers, limiting parental choice and access;

The findings from the consultations and environmental scan were shared with the Child Care and Early Years System Planning Advisory Group. Children's Services continued to engage with the Advisory Group to collaboratively develop a shared vision and strategic priorities to respond to the needs of our community.

Vision and Strategic Priorities

The vision is to unite as a city to make progressive improvements in the child care and early years system to ensure all children (0 to 12 years old) and families in Ottawa have access to a range of high quality, inclusive, and affordable programs and services to give children the best possible start in life.

The ten strategic priorities focus on access, affordability, quality and responsiveness and include:

Access: We will improve access to high-quality licensed child care and early years services.

1. Increase and optimize capacity and flexibility, with priority for underserved communities, younger children and part-time care.
2. Increase information, awareness, and transparency of the child care and early years system.
3. Increase supports for families applying for and receiving fee subsidy.

Affordability: We will increase affordability of child care services.

4. Define affordability and establish consistent child care rates to increase affordability for families based on available funding.
5. Adjust the funding framework to achieve our vision and strategic goals.

Quality: We will increase quality of child care and early years services.

6. Define quality and establish consistent sector values to better support families and service providers.
7. Develop and implement a workforce strategy to increase and support professionals in the child care and early years system.

Responsiveness: We will increase responsiveness of child care and early years services.

8. Develop and implement a strategy to increase access and support children with special needs and their families.
9. Engage all families and service providers of diverse backgrounds in the progressive improvements of child care and early years programs.
10. Enhance data analytics and measurement strategy to facilitate evidence-based planning and decision making.

Over the next five years Children's Services will determine how each strategic priority will be achieved and lead the implementation of the actions. This work will be completed

through a consultative and transparent process, in collaboration with sector partners. Each strategic priority will be supported by one of the sub-groups of the Child Care and Early Years System Planning Advisory Group. Sub-groups will be led by Children's Services staff and include representation from child care and early years providers and other relevant stakeholders.

A common process will be used to identify and implement actions for each strategic priority. Sub-groups will be required to apply an equity and inclusion lens in their work, particularly as it relates to the unique needs of the Francophone, Indigenous, and vulnerable populations. Children's Services will also develop a performance measurement framework to track the impact of the Service Plan actions over time, identify further improvement opportunities, and facilitate ongoing evidence-based decision-making. The performance measurement framework will include specific performance indicators that align with the strategic priorities, under each of the four themes of Access, Affordability, Quality, and Responsiveness.

2. Provincial Update

The City of Ottawa received a memo from the Province on April 18, 2019 outlining significant changes for 2019, including a changed threshold for program delivery / administration funding, new cost-sharing ratios on expansion funding and a new tax credit.

On May 27, 2019 the Premier issued a letter advising that the Province has made the decision to maintain the in-year cost sharing adjustments for child care services. The Province took this approach on the understanding that, as partners, Ontario's municipalities will use the additional time to work with the Government of Ontario to transform critical shared public services and find efficiencies that will ensure their sustainability.

On June 7, 2019 the Province provided the City with the revised 2019 Child care allocations and service agreement package.

Provincial Changes:

Program Delivery / Administration threshold

The Provincial memo stated that *“Ministries, agencies and transfer-payment partners are all expected to think differently about how programs and services can be delivered in an improved and sustainable manner that drives efficiencies and maximizes value for money. The government is focused on moving to an efficient, transparent and accountable transfer payment system that will enable evidence-based decision making and reduce costs and administrative burden. As the province is taking steps to modernize and transform its own operations, it expects service delivery partners to do the same – to identify and realize opportunities for efficiencies, improved service delivery, and better client/user outcomes.”*

In order to achieve this the Province has changed the threshold for allowable administration funding the City can use from 10% to 5% and all these costs will now be cost-shared at a rate of 50/50. This will take effect as of January 1, 2020 and will result in a loss of provincial funding of \$2.7M

With growing Provincial responsibilities, the City relied heavily on the additional funding that was provided recently to support our role as system manager. These included the administration of supporting an additional 2,000 children through fee subsidy, overseeing the Expansion funding to increase access and affordability, supporting the development of new licensed child care centres, transforming the EarlyON programs, supporting the Journey Together initiative to increase culturally relevant indigenous child care and early years and developing a progressive service plan.

Staff support the Province focusing on moving to an efficient, transparent and accountable transfer payment system that will enable evidence-based decision making and reduce costs and administrative burden. To reduce administrative burden on Cities, the Province stated in their memo that they are exploring updating the Ontario Child Care Management System, planning to move to a new online system for service agreements, considering updates to the Child Care Funding formula and developing a new child care plan.

Staff are committed to working collaboratively with the Province and finding efficiencies through these provincial measures and other departmental strategies. Very few details are known about the magnitude of these provincial measures or when they will be implemented. Unless there are significant provincial changes the City will not be in a position on January 1 to fully mitigate the lost provincial revenues with efficiencies and this will impact services.

To mitigate the reduced Provincial revenue of \$2.7M and align the budget to the new provincial allocation would require reducing budget expenditures. Staff estimate that this could impact the following if Provincial efficiencies are not found:

- Delays in achieving our strategic priorities to improve the system to better meet the needs of families;
- Reduced capacity to implement future provincial changes associated with the new child care plan.
- Higher fee subsidy caseloads resulting in less supports for families applying for and looking for help with placement coordination.
- Fewer resources to support child care service providers with provincial programs and program development.

Staff will include budget mitigation strategies within the Draft 2020 Operating budget for Council consideration.

New Cost-Sharing Ratio for Expansion Funding

The Child Care Expansion Plan (CCEP) represents a commitment by the Ontario government to support access to licensed child care for children 0-4 years of age across the province. This investment, fully funded by the Province, was used in Ottawa to significantly reduce the fee subsidy waitlist and support an additional 2,000 children and provide funding to service providers to increase access and affordability.

Beginning in January 2020, Municipalities will be required to cost-share the operating portion of the CCEP at a rate of 80/20 provincial/municipal. Based on the memo and the 2019 allocation, the City is expecting to receive \$15M in 2020 from the CCEP, requiring a new cost-share requirement of \$3.6M.

The City of Ottawa continues to invest \$6M in 100% Municipal funds above the previous cost share requirement in order to increase access and affordability in licensed child care. To mitigate the new cost-share requirement, staff's expectation is that the City can use this investment towards the new 20% cost-shared portion.

This strategy may impact our future provincial funding allocation as the Province currently uses the 100% Municipal investment as part of their funding formula. To mitigate this potential impact and further support the sector, funds from tax stabilization reserve (\$5.5M remaining) can be repurposed towards achieving the priorities identified in the Service System Plan and to help sustain some of the 100% Municipal investments. These funds were previously committed for Child Care Service providers (CCSPs) who were negatively impacted as a result of the service delivery / funding model implemented in 2016. With the recent provincial investments, the majority of service providers will continue to receive more general operating funding than their historical amount which no longer requires the City to use these funds to help with the transition to the new model. This allows the funds to be repurposed towards achieving the priorities identified in the service plan.

Staff will include these budget mitigation strategies within the Draft 2020 Operating Budget for Council consideration including recommitting the tax stabilization reserve funds for the next 5 years to support the priorities identified in the Service System Plan.

Ontario Childcare Access and Relief from Expenses (CARE) Tax Credit

The province is introducing the new Ontario Childcare Access and Relief from Expenses (CARE) tax credit. The new CARE tax credit would provide about 300,000 families with up to 75 per cent of their eligible child care expenses and allow families to access a broad range of child care options, including care in centres, homes and camps. Ontarians would be able to claim the CARE tax credit when they file their tax returns, starting with the 2019 tax year. Starting with the 2021 tax year, Ontario would give families the choice to apply for and receive more timely support through regular advance payments during the year.

Families with household incomes of up to \$150,000 will be eligible and could receive up to 75% of their eligible child care expenses incurred up to the following maximums per child:

- Ages 0-6: up to \$6000
- Ages 7-16: up to \$3750
- Child with severe disability up to \$8250

As per the Ministry of Finance, a family earning \$95,000 with a two-year-old and expenses of \$8,000 would have received \$1,740 from existing Ontario and Federal tax relief, and with the new tax credit would receive an additional \$2,480 for a total tax relief of \$4,220.

The average cost of care in Ottawa for children 0 – 4 in licensed child care is much higher than the maximum rebate and many families may still require a fee subsidy to access and afford licensed care. The Province has stated that the tax rebate is in addition to the fee subsidy program.

Previously-Approved School-Based Child Care Capital Projects

The Province previously approved funding for school-based child care capital projects for the local school boards to build an additional 477 child care spaces in Ottawa. On April 26, 2019, the City of Ottawa received a memo from the Province announcing that the Ministry would not be providing additional operating funding for the previously-approved school-based child care capital projects. The Ministry requested that CMSMs and affiliated school boards jointly confirm, by August 30, 2019, that either: operating funding for the new child care capital spaces will be managed from within the Consolidated Municipal Service Manager's (CMSM's) budget or that projects will not proceed. At the time of writing this report, it is estimated that the school boards will be proceeding with approximately 80% of the spaces. The operating funding was not the contributing factor for the other spaces not to proceed. Children's Services will continue to work collaboratively with local school boards to support these projects within the existing budget.

2019 Provincial Funding Allocation

The overall provincial allocation for 2019 has increased by \$2.6M compared to the 2018 allocation. This increase will ensure the City continues to significantly reduce / eliminate the fee subsidy waitlist.

RURAL IMPLICATIONS

All parents and child care service providers, include those living or located in the rural areas, were invited to participate in the consultation process. An analysis of the survey findings from parents who live in rural areas was conducted as well as an analysis of the level of access of children living in rural areas to child care services.

CONSULTATION

Children's Services engages with child care and early years partners on a regular basis, through the Child Care and Early Years System Planning Advisory Group. The Advisory Group includes representation from child care service providers, preschool/nursery schools, early years providers, and school boards. There is also representation from Francophone and Indigenous services providers and those who provide services to children with special needs. The mandate of the Advisory Group is to provide advice and guidance on the planning, transformation, and management of a child care and early years system in Ottawa. Sub-groups have also been created to focus on specific key priorities/areas.

The City also works collaboratively with the Indigenous Early Years Circle and the Francophone Table to ensure active engagement and consultation in the planning, management and delivery of culturally responsive programs and services.

In the fall 2018, Children's Services engaged and consulted with over 2,000 children, parents, child care service providers, school boards, EarlyON Child and Family Centres, specialized community organizations, post-secondary institutions, other community stakeholders and City of Ottawa staff. The consultations also ensured that diverse voices were heard, including those of Francophone, Indigenous, immigrant, LGBTQ families, and families living on low income or who have children with special needs.

Consultations included 20 one-on-one interviews, two online surveys (targeting parents and service providers), 29 external focus groups with parents and service providers, and 10 internal focus groups with City of Ottawa staff.

The consultation showed the unique experiences and perspectives of what is working well, where improvements are needed, and what families and our city want to see in a strong and responsive child care system.

The consultation findings were used to inform the development of the Child Care and Early Years Service System Plan 2019-2013. Children's Services will continue to engage with families and service providers during the life of the Service Plan.

COMMENTS BY THE WARD COUNCILLOR(S)

Not applicable as this is a city-wide report.

ADVISORY COMMITTEE(S) COMMENTS

No Advisory Committees were consulted in the development of this report.

LEGAL IMPLICATIONS

There are no legal impediments to the implementation of the report recommendations.

RISK MANAGEMENT IMPLICATIONS

The child care and early years sector has been undergoing a significant period of transformation, modernization and growth. During the last few years, the Province of Ontario has made significant investments to the child care and early years sector and adopted new priorities. Staff are committed to working collaboratively with the Province and finding efficiencies through provincial measures and other departmental strategies. Very few details are known at this time on the provincial measures and unless there are significant provincial changes the City will not be in a position on January 1 to fully mitigate the lost provincial revenues with efficiencies. This will affect the workload of both City of Ottawa staff and child care and early years service providers which may impact on the City's and our partners' ability to seamlessly implement and minimize service impacts on families.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with this report.

FINANCIAL IMPLICATIONS

There are no financial implications with the approval of the recommendations in this report. The impact of the 2020 Provincial Budget changes provided in this report will be

presented in the 2020 Draft Operating & Capital Budget for Committee and Council consideration.

ACCESSIBILITY IMPACTS

Planning for the Child Care and Early Years Service System Plan has considered and will continue to consider the needs of children with special needs. During the consultation phase, special consideration was taken to reach out to families with children who have special needs and service providers that support children with special needs. In addition, one of the strategic priorities of the Service Plan is to develop and implement a strategy to increase access and support children with special needs and their families. Children's Services will work collaboratively with the Special Needs Sub-Group of the Child Care and Early Years System Planning Advisory Group to define recommendations and actions to be included in the strategy.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

TERM OF COUNCIL PRIORITIES

This report aligns with the 2015-2018 City of Ottawa Strategic Plan Priority: Healthy and Caring Community (HC).

SUPPORTING DOCUMENTATION *(Held on file with the City Clerk)*

Document 1. Child Care and Early Years Service System Plan 2019-2023

Document 2. Funding Policy Statements

DISPOSITION

Following Council approval, Children's Services will submit the Child Care and Early Years Service System Plan 2019-2023 to the Ministry Education on a voluntary basis in accordance with the Ministry's Memo EYCC05 dated June 7, 2019.

**COMMUNITY AND PROTECTIVE
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**COMITÉ DES SERVICES
COMMUNAUTAIRES ET DE
PROTECTION RAPPORT 5
LE 11 SEPTEMBRE 2019**

Children's Services, Community and Social Services Department, will implement the Child Care and Early Years Service System Plan 2019-2023 as outlined in this report and the Service System Plan.

Children's Services will prepare a mid-plan update in 2021.