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CHILD CARE FEE ASSISTANCE UPDATE 2003 ACTIVITIES

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, April 1, 2004, from the Commissioner of Community Services and Housing:

1. RECOMMENDATION

It is recommended that:

1. This report be received for information by Committee and Council.

2. PURPOSE

The purpose of this report is twofold. First, to inform Committee and Council of the number of new, amended and terminated Purchase of Service Agreements for Child Care Fee Assistance. Second, to provide Committee and Council with information on the number of licensed spaces and the number of children receiving child care fee assistance, by municipality, in 2003.

3. BACKGROUND

At its meeting on March 12, 1998, Regional Council authorized the Commissioner of Community Services and Housing to sign Purchase of Service Agreements with operators of licensed Day Nurseries within the Regional Municipality of York (Clause 6 of Report No. 3 of the Commissioner of Community Services and Housing). These operators must meet the following criteria:

- Possession of a current licence to operate a Day Nurseries Program, as certified by the Ministry of Community, Family and Children's Services (formerly the Ministry of Community and Social Services).
- A letter addressed to the Regional Clerk indicating a desire to enter into an agreement with The Regional Municipality of York.
- Proposed rates that do not exceed the range of rates paid to licensed programs within the currently approved Schedule of Rates.

Regional Council directed the Commissioner of Community Services and Housing to provide an annual report on the number of agreements entered into, amended or terminated by the Region, including the date, location and activity. *Attachment 1* outlines the changes to Purchase of Service Agreements for the year 2003.

3.1 Licensed Child Care Spaces and York Region Purchase of Service Subsidy

There are 20,397 licensed centre-based and home-based child care spaces in York Region in which an average 2,801 children per month were subsidized by the Region within 2003 approved budget levels. *Attachment 2* shows the number of licensed centre-based spaces by municipality and age group. *Attachment 3* shows the number of children, receiving fee assistance by municipality.

4. ANALYSIS AND OPTIONS

4.1 Purchase of Services Agreements

York Region enters into Purchase of Service agreements with operators to enable fee assistance to be paid for child care services for residents who qualify for fee assistance in accordance with Provincial legislation and Regional policy.

Of the 20,397 licensed centre based spaces, 15,968 (78%) were covered by Purchase of Service agreements with York Region in 2003, an increase of 11% over 2002.

4.2 Changes to Purchase of Service Agreements (Attachment 1)

Table 1 summarizes the 2003 Purchase of Service activity:

Table 1
2003 Purchase of Service Activity

Description	Total
Amended Purchase of Service Agreements	26
New Purchase of Service Agreements	11
Terminated Purchase of Service Agreements	4

In 2003, four child care programs terminated their Purchase of Service Agreement with York Region.

Of those four programs, two were purchased by a new operator and both programs entered into purchase of service. The remaining two programs, including 55 Eagle Street, closed a total 145 spaces. At the same time, the number of licensed child care spaces in York Region increased by 2,056 in 2003.

4.3 Cross Jurisdictional Child Care Arrangements

While the majority of child care operators with whom York Region has Purchase of Service agreements are based in York Region, two child care operators are based outside the Region and support cross-jurisdictional child care arrangements. These arrangements allow an eligible resident of York Region, with extraordinary child care needs to receive child care fee assistance in order to access child care in a licensed child care program outside York Region.

4.4 Relationship to Vision 2026

This program supports the following actions of Vision 2026:

- Fostering effective working relationships with community agencies and organizations.
- Responding to children in need.

5. FINANCIAL IMPLICATIONS

The cost of Child Care Fee Assistance was accommodated within the approved 2003 Budget.

6. LOCAL MUNICIPAL IMPACT

Child Care Fee Assistance provides support to employment for families in York Region, which in turns supports local industry and business.

7. CONCLUSION

As a result of growth in the child population and an increase in the number of low-income families, the current level of provincial funding for fee subsidy does not meet the community need. While the number of spaces covered by Purchase of Services agreements has increased, the percentage of all licensed spaces for which Provincial child care fee subsidy is available has decreased from 17% to 10.6% between 1999 and 2003.

The Community Services and Housing Department will provide this Purchase of Service Activity Report, licensed spaces and level of child care fee assistance on an annual basis.

The Senior Management Group has reviewed this report.

(A copy of the attachment referred to in the foregoing is included with this report and is also on file in the Office of the Regional Clerk.)