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AMENDMENT TO REGIONAL SCHEDULE OF RATES FOR CHILD CARE FEE ASSISTANCE

The Community Services and Housing Committee recommends the adoption of the recommendation contained in the following report, April 28, 2004, from the Commissioner of Community Services and Housing:

1. RECOMMENDATION

It is recommended that:

1. Committee and Council approve the 2004 Regional Schedule of Rates for Child Care Fee Assistance (*see Attachment 1*).

2. PURPOSE

The purpose of this report is to inform Committee and Council of the 2004 Regional Schedule of Rates for Child Care Fee Assistance, effective January 1, 2004.

3. BACKGROUND

In September 1998, Council approved a Regional Schedule of Rates thereby introducing a standard subsidy structure to the Child Care Fee Assistance Program in York Region.

Council also approved that the Commissioner annually review the schedule based on an analysis of market pricing in York Region, approved budget and service levels.

The implementation of the 2004 Rate Schedule will encourage operators to maintain the number of spaces that they make available for fee assistance and will be managed within the approved 2004 Budget.

4. ANALYSIS AND OPTIONS

4.1 Current System of Fee Assistance

The Region administers a Child Care Fee Assistance Program, which currently subsidizes an average of 2,801 children per month. There are 20,397 licensed centre-based and home-based child care spaces in York Region. Of the 20,397 licensed spaces, 15,968 (78%) are covered by Purchase of Service Agreements.

4.2 Approved 2004 Budget

The \$397,100 to support the increase to the Regional Schedule of Rates has been approved within the 2004 Budget.

4.3 Impact on Operators Rates

The amendment to the Schedule of Rates includes an average overall increase of 2.5% and will be implemented as follows:

- Operators currently receiving rates below the recommended schedule will move to the new rate effective January 1, 2004.
- Operators currently receiving rates above the recommended schedule will be held at their current rates.
- Operators will not be paid a rate that is higher than their existing price to the public currently on file with the Region.

The 2004 review of rates paid to operators indicates approximately 96% of operators will receive their current market rate to the public or an increase to that rate if eligible.

4.4 Implementation Strategy

The Community Services and Housing Department will advise operators of changes regarding approved rates and will amend Purchase of Service Agreements to reflect the new rates effective January 1, 2004.

4.5 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 implementation of the increase to the Regional Schedule of Rates will be managed within the 2004 Budget.

6. LOCAL MUNICIPAL IMPACT

The implementation of the amended Schedule of Rates for Child Care Fee Assistance will continue to provide stability to the child care system across all municipalities in York Region.

7. CONCLUSION

The amendment to the Regional Schedule of Rates for Child Care Fee Assistance supports the Commissioner of Community Services and Housing's annual review of the schedule based on an analysis of market pricing, approved budget and service levels.

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)