

Report SSR-SS-06-15

To: Dwight Burley, Chair and Members of the Social Services Committee
From: Kathy MacMurdo Children's Services Manager
Meeting Date: February 11, 2015
Subject: **Approval to Endorse 2015 Child Care and Family Support Service Agreement with Ministry of Education**
Status: Recommendation adopted by Committee as presented per Resolution SSC35-15; Endorsed by County Council March 3, 2015 per Resolution CC43-15;

Recommendation(s)

WHEREAS Grey County is the Consolidated Municipal Services Manager for Child Care Services and receives annual funding from the Province of Ontario;

AND WHEREAS the 2015 Child Care and Family Support Service Agreement has been received from the Ministry of Education;

AND WHEREAS this Service Agreement includes the 2015 Child Care Funding Allocation Summary and Schedule of Contractual Service Targets;

NOW THEREFORE BE IT RESOLVED THAT SSR-SS-06-15 be received;

AND THAT the necessary by-law be prepared authorizing the Warden and Clerk to execute the 2015 Child Care and Family Support Service Agreement with the Ministry of Education.

Background

Grey County Social Services received the 2015 Service Agreement from the Ministry of Education for the Children's Services Program. This agreement has three contractual service targets including targets for Fee Subsidy, Special Needs Resourcing and Ontario Works Formal and Informal Child care that must be established and met in the coming year. Also included in the agreement is the Child Care Funding Allocation Summary for 2015.

Using the 2014 child care funding investment (\$989M), benchmarks were calculated for each data element across all of the grant components making-up the funding formula. Benchmarks have been implicit in the funding formula, but to date the formula has always been described as the amount of funding in the grant and the proportional share that each CMSM/DSSAB received. The Ministry of Education has been progressively working towards simplifying children's services funding and the new funding formula is intended to be:

Transparent - One of the goals of the funding formula was to create a transparent funding approach that the CMSMs/DSSABs could use to forecast their future funding and better plan and manage their local child care systems; the benchmark system accomplishes this.

Predictable – CMSMs/DSSABs can determine future allocations and therefore engage in multi-year service system planning for child care.

Equitable - The benchmark system clearly ties child care funding to changes in demographics. This will support the Ministry in clearly identifying system need and costs to central agencies in Results-based Planning as well as to other levels of government.

Benchmarks have been calculated for each data element in the funding formula to allow municipal service managers to better predict future changes care allocations from the province based on demographic changes in their communities. Data elements that are taken into consideration per municipality are:

Core Service Delivery: % of children aged 3.0 to 12 years old

Special Purpose – Transformation Component: % of 4 and 5 year olds

Special Purpose – Aboriginal Component: % of 0-4 year old population with aboriginal ancestry

Rural and Small Community Measure: Ontario's 37 CMSMs and 10 DSSABs are grouped into 5 tiers and assigned a benchmark "dollar per rural person":

Northern rural (100% rural)

Northern rural/urban (< 100% rural)

Small rural regions (<300K & 100% rural)

Small rural/urban regions (<300K & rural/urban)

Large regions (>300K)

Finally, reporting requirements are included in the agreement and staff will work closely with Ministry of Education representatives to ensure that obligations are met.

Financial / Staffing / Legal / Information Technology

Considerations

The 2015 Service Agreement has a total funding increase of \$740,205 compared to the 2014 year. This funding increase includes \$537,064 in Wage Enhancement Funding which is 100% provincial funding. The total funding for 2015 will be \$6,698,358. In comparison, the Ministry of Education funding allocation to Grey County in 2014 was \$5,958,159. The additional 2015 funding is 100% provincial funding and the required municipal contribution from the County of Grey has not increased and remains at \$978,433.

The 2014 Provincial government included an investment of \$239 million over three years to support wage enhancement in the licensed child care sector. This program is intended to be an ongoing investment and is welcome news to the child care community. The provincial government goals of this program are:

- To close the wage gap between Registered Early Child Care Educators working within the school boards and those in licensed child care
- To help stabilize child care operators by supporting their ability to retain RECE's and Non-RECE program staff
- To reduce poverty by supporting greater employment and income security
- This program is intended to be an ongoing investment
- \$1.00 /hour increase in 2015, plus 17.5% for benefits for eligible licensed child care staff with an additional \$1.00 increase in 2016
- Home Child Care Enhancement grant will support an increase of up to \$10.00 per day in 2015 for Home Child Care Providers

The municipality has been provided guidelines to develop processes for the Wage Enhancement program as follows:

1. Implementation Process
2. Application Process
3. Support and Accountability Process
4. Reporting Process
5. Development of Application and Resources

To support this extensive administrative work, one time Administration funding in the amount of \$53,706 which is 10% of the Wage Enhancement funding allotment will be provided for the 2015 year.

Initial discussions have taken place and will continue in order that processes are developed for streamlined program implementation. Clarification is pending from the Ministry of Education to determine if ongoing funding will be provided due to the ongoing administrative work associated with this program.

Link to Strategic Goals / Priorities

Grey County Social Services continues to support community child care agencies adhering to the most cost effective means of delivering necessary range of social services.

Attachments

Ministry of Education 2015 Child Care and Family Support Service Agreement (Budget Schedule which includes the 2015 Child Care Funding Allocation Summary is on Pages 37 and 38)

Respectfully submitted by,

Kathy MacMurdo
Children's Services Manager

Director Sign Off: *Barbara Fedy, Director*