

To:	Warden Hicks and Members of Grey County Council
Committee Date:	July 11, 2019
Subject / Report No:	SSR-CW-09-19
Title:	School-Based Capital Child Care Projects - Update
Prepared by:	Barbara Arbuckle
Reviewed by:	Barb Fedy
Lower Tier(s) Affected:	
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution <i>CW156-19</i> ;

Recommendation

1. That **SSR-CW-09-19 regarding School-Based Child Care Capital Projects Update** be received; and
2. That **Council endorse the staff recommendation to proceed with the school-based capital build child care**; and
3. That the **Director of Social Services be authorized to execute and sign the Joint Confirmation form for each school board before August 31, 2019.**

Executive Summary

The Ministry of Education's (MEDU) 2017 Early Years Capital Program has approved capital construction proposals to retrofit 99 existing childcare spaces and provide 28 new childcare spaces and one new EarlyON at various school locations. A decision is required on whether the County wishes to execute the joint confirmation with the respective school boards, committing to provide operating funding to the new spaces from the County's current allocation.

Grey County provides fee subsidy for eligible families and operating funds for licensed childcare providers from an envelope of funds provided by the province.

Background and Discussion

The 2017-2018 Early Years Capital Program (EYCP) is an investment of \$1.6 billion in capital funding for school boards across Ontario to support school-based “stand-alone” child care capital builds and retrofits to create new licensed child care spaces for children aged 0 to 4 years. The EYCP supports the MEDU vision for child care and early years under the Renewed Early Years and Child Care Policy Framework, as well as the commitments made in Ontario’s Action Plan under the Canada-Ontario Early Learning and Child Care Agreement (ELCC).

Further to the province’s request for capital funding applications, Children’s Services supported local school boards by reviewing each submission to ensure alignment with the local and provincial priorities, resulting in three school board submissions for EYCP funding.

In December 2017, the MEDU announced that three (3) local school boards were approved for a total of five (5) school-based child care capital build projects. This report is specific to the projects being undertaken by the Conseil Scolaire Catholique Providence and the Bluewater District School Board.

	Site	Age Group	Current Spaces	Proposed Spaces	Change	Notes
Conseil Scolaire Catholique Providence	Le Jardin - St. Dominique	Infant	10	10	0	Space neutral (0 growth). Redesign improves operations and comfort for infant group. St Dominique is the only French school grades K-12 servicing Bruce County and Grey County. Le Jardin is the only French child care in the same area.
		Toddler	15	15	0	
		Preschool	24	24	0	
Bluewater	Kids & Us - Spruce Ridge	Infant	0	0	0	19 spaces increase (moderate). Relocation from Rockwood Terrace. Larger commercial kitchen will prepare meals for all sites including before/after school programs.
		Toddler	0	15	15	
		Preschool	20	24	4	
	Kids & Us - Holstein	Infant	0	0	0	9 spaces increase (slight growth). Considered 2 builds as combined child care and EarlyON – only services in a rural community experiencing family homes growth within 20 minutes from location. Current portables are past life span. Standalone brick building with 50 year life span to be built on school property.
		Toddler	14	15	1	
		Preschool	16	24	8	
Total Spaces:			99	127	28	

In April 2019 Grey County Children's Services was asked by MEDU to confirm support for ongoing operating funding within the existing child care allocation, for the additional licensed child care spaces being created as part of school-based capital builds

Each Consolidated Municipal Service Manager (CMSM) determines how to distribute a fixed allocation of funds between the General Operating Grant (GOG) and Child Care Fee Subsidy. Child Care Fee Subsidy is intended to assist individual families that meet the income testing with their licensed child care costs. The GOG is intended to assist with increased access and affordability to licensed child care for all families. Operators are encouraged to use the GOG to help keep the cost of their licensed spaces low. Grey County child care operators have kept the cost of licensed spaces on the lower end of the provincial averages.

Increasing the allocation to GOG so that each operator maintains their per space funding at current levels with the addition of 28 new spaces, would reduce the funds available for Child Care Fee Subsidy. A reduction in GOG may result in child care operators increasing rates to defray daily operating costs.

Presently, Grey County does not have a waiting list for fee subsidy, however demand is stable and reducing the available subsidy funds would change this. An increase in operating costs could increase subsidy demand or require the CMSM to implement a cap on daily per diems paid to the operator for subsidy eligible families.

Joint Confirmation

Grey County has received a Joint Confirmation Form listing the school-based capital projects that Grey County Children's Services has been working on with the three local school boards. The "Joint Confirmation – Previously-Approved School-based Child Care Capital Projects" forms must be signed by both Grey County and school board, then submitted to MEDU by August 31, 2019.

On the Joint Confirmation Form, the County can choose one of the three following Confirmation Status/Decision:

1. Defer – Grey County and the school board choose to wait to confirm whether this project will proceed. Any required operating funding the new child care capital spaces will be managed from within Grey County's existing operating budget.
2. Proceed – Yes, Grey County and the school board confirm that this project will proceed. Any required operating funding for the new child care capital spaces will be managed from within Grey County's existing operating budget.
3. Not Proceed – No, Grey County and the school board confirm that this project will not proceed. The required operating funding for the new child care capital spaces cannot be managed from within Grey County's existing operating budget.

In June 2019 the MEDU advised that those school-based capital projects that are selected to “not proceed”, cannot expect the capital funds to become available in future years.

Legal and Legislated Requirements

Child Care and Early Years Act, 2014 requires the Consolidated Municipal Service Manager (CMSM) to provide strategic leadership for its local child care and early years services. Under the Act, Grey County is a CMSM. This includes forecasting long range child care and early years needs, both operationally and capital builds, and plan accordingly.

Financial and Resource Implications

The Children’s Services 2019 child care budget will not be impacted as the capital builds have not yet started. The construction of the school-based child care capital build projects are managed and paid for through funding flowed by the Ministry of Education directly to that school board. No Grey County levy is used for the capital build project.

The potential impact will occur upon completion of the capital build projects and Ministry licensing expected between 2020-2022. As the new spaces associated with these new capital builds become active, it is understood that general operating grant funding may be reduced to all operators. This may result in an increase in local child care fees.

With the new provincial approach to child care, announced in the 2019 provincial budget, families may benefit from the new CARE tax credit as a method to offset some of the increased child care costs. Further details as to the scope of the CARE tax credit are pending release from the Province.

County staff resources will be required as a project team member in partnership with the operator and school board.

Children’s Services will continue to monitor and analyze impacts from forthcoming provincial policy announcements, and, as needed, develop strategies to minimize any negative impacts to the system to maintain access to quality child care for Grey County residents.

Relevant Consultation

Internal (list)

- Grey County Clerk’s Office
- Grey County Solicitor

- Grey County Finance Department
- Grey County Planning Department (Planning Data Analysis Coordinator)

External

- Bluewater District School Board
- Conseil Scolaire Catholique Providence

Appendices and Attachments

[EYCC Memo 26 April 2019 - Previously Approved School Based Child Care Capital Projects](#)