



City of
Peterborough

TO: Members of the Joint Services Steering Committee

FROM: Ken Doherty, Director of Community Services

MEETING DATE: October 13, 2011

SUBJECT: Report CSSSJSSC11-009
Early Learning Update

PURPOSE

A report to inform the Joint Services Steering Committee on the status of the implementation of Early Learning in Peterborough and the status of Child Care in the community.

RECOMMENDATION

That the Joint Services Steering Committee endorse the recommendation outlined in Report CSSSJSSC11-009 dated October 13, 2011, of the Director of Community Services, as follows:

That the Early Learning Update Report be received for information.

BUDGET AND FINANCIAL IMPLICATIONS

There are no additional financial implications to the City or County of Peterborough related to this report.

BACKGROUND

Early Learning

In 2009, the Province of Ontario announced Ontario's plan for a province-wide Early Learning Program for all four and five year old children. This new program proposes four key components and will be phased in over a five year period. The first component is the implementation of full day kindergarten for all four and five year old children. The second component is the implementation of an extended day program which would operate in the school and offer integrated programming both before and after school from 7:00-9:00 am and 3:30-6:00 pm. The seven schools in the first and second phase of implementation are:

Apsley Central School – full day kindergarten (yr 1); extended day (yr 2)
Havelock Public School – full day kindergarten (yr 1)
Otonabee Valley Public School - full day kindergarten (yr 1); extended day (yr 2)
Prince of Wales Public School - full day kindergarten (yr 1); extended day (yr 2)
St Paul's School - full day kindergarten (yr 1)
Keith Wightman Public School - full day kindergarten (yr 2)
St. Alphonsus School - full day kindergarten and extended day (yr 2)

As of September 2011, approximately 460 four and five year old children have been enrolled in seven schools in the City and County of Peterborough. By September 2012, implementation will be at 50% across the province; full day kindergarten will be fully implemented by September 2014; and all four and five year old children will have access to this early learning program.

The government is also taking a phased approach in the transfer of child care policy, funding and licensing. In May 2010, child care policy and program responsibilities were transferred from the Ministry of Children and Youth Services to the Ministry of Education. In January 2011, funding and contract management for Consolidated Municipal Service Managers and District Social Services Administration Boards were transferred. In January 2012, the child care licensing and enforcement will be transferred.

The broader system planning, which includes the development of Best Start Child and Family Centres, is the fourth component of the Province's vision for the development of a seamless, integrated service system for children and families.

The Ministry of Education has been given the leadership role for the implementation of the Early Learning program. Municipal service system managers, however, continue to play a key role in the transformation of the local service delivery system for children with an emphasis on birth to four years of age.

The Challenges

While the introduction of the Full Day Kindergarten program has been seen as a positive step forward, the movement of four and five year old children out of the child care system into schools has put a substantial amount of pressure on a system that was already strained. Over the past 12 months, the child care community has been planning for the exit of four and five year olds out of child care programs and for the transformation of the child care system to serve more children aged from birth to four years. Throughout this process, a number of concerns have emerged relating to the challenges for the provision of child care.

Closure of Child Care Programs

With the decreasing number of children using and entering child care programs, there is a significant risk that child care programs may have to close due to financial instability. The movement of four and five year olds to full day kindergarten has meant that some child care operators are beginning to struggle to remain viable. The financial investment in retrofitting programs to serve younger children is just not feasible for many operators either due to space limitations or lack of available funding. These struggles exist both for licensed centre-based and home child care.

Another compounding pressure that some local Best Start programs are experiencing is the instability of short-term leases for space in local schools. Three operators received leases this year that will expire in 2013, with no clear commitment to a lease extension. If, for some reason, the current leases are not extended past June 2013, these programs will need to look at relocation options or a program closure. Finding suitable and available space to relocate a child care program would be extremely challenging and costly. The financial burden would be significant and may not even be possible unless adequate capital funding is made available. Relocation would be a serious disruption for families who rely on the service in their local school or neighbourhood and could cause serious financial instability for the operator. If the programs were unable to find a suitable new location and/or secure adequate funding to support relocation, the operator will have to consider closure. The closure of these particular programs could mean the loss of up to 113 child care spaces in Peterborough. In the fall of 2010, two child care programs closed due to decreasing enrolment and financial instability. One program was located in Bridgenorth and one in Havelock. These two programs had a licensed capacity of 54 and 26 children.

Fewer Child Care Options for Parents

A significant pressure that parents face when trying to secure child care is that there are not enough child care spaces to meet the current demand. Ontario has licensed child care spaces for one in five children, while over 70% of mothers with young children are working or engaged in education and training programs. Many child care programs in the City and County of Peterborough have very lengthy waiting lists, which further limits

a family's ability to work, engage in education programs and parental choice. The loss of licensed child care will only intensify this issue locally. With fewer options for licensed care, families may have few choices but to turn to informal and unlicensed care. The closure of child care organizations can also have a direct impact on local economies, as employees lose jobs and the businesses no longer consume local services or pay business taxes. The effects, however, are further reaching as the lack of licensed, high quality affordable child care can make a community less attractive to new residents and businesses.

Lack of Sufficient Funding

Although the provincial government has made a commitment to providing Transition funding for communities across the province, the amount of funding that has been allocated is not sufficient. At a time when child care programs are already struggling with financial pressures due to decreasing enrolment, the rising cost to provide care, lack of fee and wage subsidies and the lack of stable operational funding, it is difficult to retrofit a program and offer care to more expensive younger age-groups. Parent fees are already high, to the point that middle income families struggle to afford licensed child care. Child care operators can not rely on just increasing parent fees to address their financial shortfalls as this further prohibits access to services for many families and results in too few customers to cover the costs of the service.

System Challenges for Rural Child Care

In the County, these issues only become exacerbated. There are generally fewer children using licensed child care in rural communities, which makes it hard to sustain services. Broad demographic trends work against child care centres in rural communities, where there are fewer families with younger children. Quality licensed child care allows families to enter and remain in the workplace and to participate in educational or training activities. Most rural communities only have one licensed child care program in operation. While licensed home child care plays a significant role, there is a declining number of individuals providing licensed home care in the County. Without licensed child care available locally, parents may have to travel to other communities to access child care services or use unlicensed, informal care. It may even prohibit their ability to work or attend school.

Community Solutions

The Children's Services Program Manager is working closely with the local Best Start Network and child care operators to develop local transition plans that reflect the following guiding principles as set out by the province:

- Focus planning first and foremost on the needs of families in the community;
- Support the transition of child care programs to increase capacity for 0-4 year olds;

- Create long-term community solutions that focus on building a stronger early learning and child care system;
- Explore options to utilize existing funding to maintain, and where possible, to increase accessibility to and availability of quality licensed child care;
- Focus planning on solutions that do not require additional funding from the government, and;
- As much as possible, maintain parental choice in the child care system.

In 2011, there were 12 child care programs located within 2 km of a school implementing the Early Learning program. These centres are most at risk of being impacted due to the loss of four and five year old children and are, therefore, eligible to receive Transition funding.

This year, the City of Peterborough received \$8,500 in Transition Minor Capital funding to support capital renovations to convert programs to serve younger children. It also received \$122,688 in Transition Operating to support fee subsidy and special needs resourcing pressures. Based on identified community needs and pressures, a small amount (\$80,916) of the Best Start Unconditional grant will also be used in 2011 to supplement the Minor Capital funding.

The unconditional grant was originally intended to support the Best Start exit strategy and had been set aside for that purpose. However, in the spring of 2010 the government reinstated its financial support for the Best Start programs. This meant that the grant at a value of \$888,767 could be used to help stabilize the child care system during this time of transformation. In 2011, \$175,000 was budgeted for this purpose.

Three non-profit child care operators and one for-profit operator applied for funding to retrofit and renovate their programs to serve younger children, including the following:

Program Name	Transition Minor Capital	Unconditional Grant
All Seasons Learning Centre	\$8,500	\$27,263
Nursery Two - St. John's		\$14,409
Nursery Two - St. Alphonsus		\$14,244
YMCA – Peterborough		\$25,000
Total Funding	\$8,500	\$80,916

Over the next three years, it is anticipated that additional funding, beyond the provincial allocation, will continue to be required to help stabilize the system. The remainder of this unconditional grant will be used for that purpose.

The provision of Transition funding and/or the unconditional grant will assist with some of the challenges created by the Early Learning program. Unfortunately, it will not eliminate them in our community. It is imperative that as a community, both at a local planning level and at a municipal level, a variety of approaches be explored and developed. Additional solutions could include:

- develop methods to preserve current licensed child care space in local schools;
- develop methods to increase access to free or low-rent spaces in schools and other community spaces;
- help parents with accessibility challenges by promoting carpooling or offering free rural bus or gas vouchers;
- advocate with the provincial government to ensure flexibility with legislation and make changes to the Day Nurseries Act that would provide operators with more flexibility of age ratios; provide adequate capital dollars for renovations and relocations and support the operational costs of buildings;
- promote and market the benefits of high quality, licensed child care to both families and employers as an integral part of the community infrastructure and a support to economic prosperity.

SUMMARY

The Social Services Division will continue to work closely with child care operators and community partners over the next three years to plan strategies to help mitigate the expected impact of the Early Learning program. Some of the identified solutions are relatively easy to implement while others are much more complex and will require funding, legislative change and time. This will require all participants in the children's services sector and broader community to work closely together to ensure that families and communities benefit from the Early Learning program and that child care services are not only preserved but enhanced.

Submitted by,

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