

# 2012

## Modernizing Child Care - A Community Response



City of Peterborough  
Children's Services

September, 2012



## **EXECUTIVE SUMMARY**

Modernization of the child care system is long overdue and the child care sector in the City and County of Peterborough welcomes the opportunity to work with the province to continue the work of building a high quality, accessible and coordinated early learning and care system for all children in Ontario. Modernization needs to focus on increasing accessibility and quality, reducing the fragmentation of funding and services and stabilizing existing child care services.

Our community is encouraged by the province's announcement in April 2012 of \$242 million to the child care sector over three years to modernize child care in Ontario. We see this as a very positive step forward and welcome the opportunity to provide recommendations to modernize child care. This response was facilitated by the Consolidated Municipal Service Manager (CMSM) of Children's Services and reflects ideas and suggestions generated through an online survey and a community forum. Responses were solicited from and provided by professionals in centre-based and home child care agencies, the Ontario Early Years Centre, developmental services for children, the education sector, municipal staff as well as parents and guardians. The final report has been endorsed by the Peterborough Planning Table for Children and Youth which includes representation from the Best Start Committee.

The recommendations made in this report support a child care system that provides high quality early learning and child care that is accessible, accountable and sustainable. They are also a reflection of the current funding pressures that exist in our community which ultimately limit a family's choice when looking for child care and impact the child care operator's ability to provide high quality programs for children and families and to remain financially stable and/or viable.

With the recent implementation of full day kindergarten and the transfer of children's services to the Ministry of Education, now is the time to ensure that child care is a valued part of the continuum of life-long learning in the education system in Ontario. Together we can modernize the early learning and child care framework to provide the best outcomes for Ontario's children.

## **BACKGROUND**

### **Community Highlights**

The City and County of Peterborough offers a variety of licensed child care services in both urban and rural settings. There are 53 licensed programs which offer a mix of both non-profit and for-profit operators with the majority of spaces being provided in the non-profit sector. Approximately 75% of the licensed spaces are located in the City, while the remaining 25% are offered in the eight surrounding Townships. There are a total of 2,232 licensed spaces in our community which provides care for children from birth to twelve years of age. Licensed spaces are provided in centre-based programs and home-child care settings. Licensed infant spaces are extremely limited. There are only 46 centre-based spaces available for families. Most child care programs operate at full capacity for the majority of the year and many report extensive waiting lists that require families to add their name to the list prior to their children being born. The five programs that offer infant care report waiting lists of over 100 children and many families never obtain an infant space when they need it.

Based on recent census data on Canadian population for children from birth to nineteen years old in the City and County of Peterborough it is expected that from 2011 to 2016 the number of children ranging in age from birth to 4 years will rise significantly across the City and County. Based on this growth, it is expected that the need for licensed child care for this age group will also continue to rise significantly.

The implementation of the third phase of Full Day Kindergarten (FDK) in September 2012 involves the largest number of children to date moving from licensed child care to FDK school-based programs. In Peterborough City and County there are 19 schools offering full day kindergarten. Of this number, 12 are new schools this year. Eight of these schools are located in the City and four in the County.

This year there were 28 (52%) child care programs directly impacted by FDK and many more indirectly impacted. These programs are considered most at risk of being impacted due to the loss of four and five year olds and were eligible to apply for Transition funding. Child care transition plans were developed for the City and County to assist operators with this transition. These plans are intended to facilitate expansion in infant and toddler capacities to replace the expected decrease in preschool capacity as four and five year olds move to FDK, with extended day child care requirements addressed in school-based shared space. System-wide data informed how Children's Services invested available resources to maintain the sustainability of the child care system during this time of transition.

While our community welcomes the implementation of FDK, it has had a tremendous financial impact on the child care sector and many operators are struggling financially due to the loss of revenue from the four and five year old children who transitioned into FDK. This year alone, it was projected that 304, JK/SK aged children would leave the child care system resulting in a financial loss of approximately \$1,266,440 for the operators.

## **Service Pressures**

### **Fee Subsidy Waitlists**

Families continue to struggle under the pressure of insufficient fee subsidy funding to address the current needs of our community. The City of Peterborough has been in a waitlist position for fee subsidy since the beginning of 2012. Currently there are over 400 children waiting for fee subsidy. The existence of a wait list is extremely difficult for families who require child care subsidy in order to work or go to school and for child care operators who have vacant spaces. Although many child care programs have waiting lists, vacancies often exist as many of the families on the waitlists cannot afford the high cost of child care and are left waiting for a fee subsidy before they can accept a space. Affording child care is extremely difficult for families who don't have the financial resources to pay the full fees. Currently, average child care fees range from \$42.60/full day for an infant aged child to \$30/full day for a school-aged child. Over the last two years there has been a 3 – 15% increase in child care fees across agencies and age groups. Without access to fee subsidies many families are faced with very difficult decisions. Some will have to quit their jobs/educational activity or choose unlicensed, unregulated child care because it is often less expensive.

### **Special Needs Resourcing**

Currently, supports for children are offered both in the child's home and through child care, either in a licensed child care program or with a home provider. Special Needs Resource (SNR) funding has not increased for many years, although the service needs continue to grow. Approximately 345 children receive services annually. Current funding allocations provide full or partial access to services for children with special needs in our community. Many child care operators express frustration with the limitations placed on their applications for enhanced staffing due to the lack of adequate funding. Often operators receive less financial support than what is ideal given the high needs of many children attending child care programs. Currently we are experiencing two emerging trends - an increase in the number of children being identified at an earlier age and a growing number of medically fragile children accessing services, which in turn drives up the cost of delivering services and places additional strain of the system.

As four and five year old children transition into FDK it is hoped that some of the resources used to support those children can be used to serve younger children. A new trend that is placing additional

pressure on the system is the large number of school-age children who attend extended day programs and require special needs resourcing. It is imperative during this time of transition that the Boards of Education work in collaboration with Five Counties Children's Centre (SNR provider) and parents of children with special needs to ensure that transitional service plans will meet the needs of families.

### **Wage Subsidies**

Chronic underfunding for wage subsidies continues to create significant financial pressures for the child care operators in our community. Most operators do not receive 100% of their entitlement. Programs currently receive between 28 – 100% of their entitlement and for the programs that do receive 100% of their allocation this is still not enough to allow operators to pay their qualified Early Childhood Educators (ECE) staff a fair wage without having to increase parent fees significantly. Many ECE's are opting to leave the child care programs for higher paying positions with the school boards. In order for the municipality to pay all operators 100% of their entitlement we would need an additional \$1,000,000 per year. This shortfall is significant and operators will continue to struggle to attract and retain qualified staff and to keep their programs financially viable unless the government provides additional fiscal investments that are indexed year over year to support the operating costs of child care programs.

## **RECOMMENDATIONS**

### **Enhancing Quality**

#### **Quality Assurance**

Overwhelmingly our community believes that the Ministry of Education took an important first step in pairing the concepts of quality assurance and licensing. Program quality is fundamental to the provision of high quality child care and should be embedded in the licensing process. Currently the Day Nurseries Act (DNA) only requires operators to meet minimum standards and does not take into consideration the quality of the environment, the relationships between the educator and the children, parent engagement, professional development, or the curriculum. Several years ago our community implemented the Raising the Bar initiative to promote and enhance quality in our child care programs. However, quality assurance is not provincially mandated and some communities and operators have chosen not to engage in this initiative. Therefore child care centres in many communities including Peterborough are operating under two different standards – the higher community standard or the minimum standards of the DNA. Some of the key recommendations made in relation to program quality and licensing are as follows:

- Legislate an outcomes based provincial quality assurance framework that is supported by locally-driven community-based initiatives that allow service managers to work with their child care providers to best meet quality standards.
- Provide municipalities with fiscal investments and resources required to support quality initiatives and on-going professional development and training
- Provide municipalities with fiscal investments and resources to develop a system of leadership to coach and mentor educator teams in curriculum pedagogy and to ensure program effectiveness and accountability.
- Adopt the Early Learning for Every Child Today (ELECT) as the common framework for early learning and childcare and mandate that colleges offering Early Childhood Education programs incorporate the ELECT as the approach taught. This framework was developed to guide practice in early childhood settings for children from infancy to grade three and aligns early years programming with education. ECE graduates should be grounded in ELECT and it should be mandated for all early learning settings.
- Provide CMSM's with the necessary fiscal investments and resources to operationalize ELECT at the local level

- Ensure ELECT and quality assurance standards are embedded into the provincial policy framework.

### **Supporting Children with Special Needs**

All children and families in every community should have access to an integrated and inclusive continuum of early learning and child care services. A modernized child care system needs to include proactive planning for effective access and continuation of care for children with special needs across a variety of service locations and settings. Families should have access to services in licensed child care programs, community programs and school settings. The following recommendations were made in relation to supporting children with special needs:

- Ensure the Special Needs Resource (SNR) support and funding stays with the child as they transition from child care settings into full day kindergarten to ensure continued services for the child and their family.
- Legislate that all resource consultants and educators working in enhanced staffing positions are registered Early Childhood Educators.
- Amend the language and definitions in the DNA in relation to children with special needs to better align with the realities of today's programming. Remove the reference to "handicapped" and broaden the definition of Special Needs to include children with mental health and behaviour issues. Currently mental health and behavioural issues are not recognized under the Act but take up a considerable amount of staff and resources for child care centres. There is a need to recognize that special needs have moved beyond physical or definable developmental delays and see that behavioural challenges, that can consume a great deal of staff time, also need to be taken into consideration.
- Ensure the system provides equal access to a continuum of care for children with both confirmed diagnoses and those who have deficits in functional development without the benefit of a formal diagnosis.
- Provide municipalities with fiscal investments to support staffing and professional development opportunities required to meet the current and growing needs of the communities they serve. It's important that resource consultants have the ability to offer more supports to child care programs that support the child's special needs (develop a teach-the-educator model), and resources should be linked to home in order to support the family
- Mandate that Boards of Education work in collaboration with developmental services and parents of children with special needs to ensure that transitional service plans will meet the needs of families so that children are able to fully participate in FDK programs.

### **Partnerships with Parents and Families**

There is strong consensus in our community that one of the best strategies to help parents make informed decisions about choosing quality child care is to promote and market the benefits of licensed child care as a provincial strategy similar to the FDK media campaign that is broadcast on local television stations. This would help to make families more aware of the benefits to children, including school readiness and developmental benefits. Other strategies include:

- Develop a promotional brochure that markets the benefits of licensed child care and distribute through family doctors or family health teams, local health units, elementary schools and other children's service agencies.
- Develop a provincial bill-board campaign to market the benefits of licensed child care.

## Licensing

### **Accountability**

Child care operators in our community believe that all child care providers should be licensed if they are providing child care services in a paid capacity. They also believe it is the responsibility of the Ministry to process all new licenses, regulate and support all child care operators in relation to health and safety standards. However, in order to apply for a new license, a prospective child care operator would need to seek support and approval from their local CMSM, which is responsible for local planning prior to applying for a license from the Ministry of Education. Once approval was granted by the CMSM, the operator would submit an application to the Ministry of Education for licensing. As part of the application process, prospective operators would also need to demonstrate that their facilities and programming meet legislative requirements for quality. Once an agency was licensed, the Ministry of Education would be responsible for monitoring health and safety standards while the CMSM's would have the responsibility of monitoring and supporting quality assurance. This new process would encourage collaboration between the CMSM, the Ministry of Education and the child care operator while ensuring that local planning priorities are taken into consideration.

### **Day Nurseries Act Amendments**

Participants agreed that the DNA is outdated and does not reflect the long term vision for early learning and child care. Nor does it promote high quality environments while meeting the diverse needs of the families and operators. With the implementation of FDK and the extended day programs in elementary schools, many third party child care operators expressed frustration with the many inconsistencies that exist between the DNA requirements and those applied to the school boards. The inconsistencies can create added cost for operators and school boards. The current practice is that through the extended day, children are in one classroom however they are governed by two distinctly different sets of rules and guidelines. This is confusing and frustrating for children and their families and for educators working in the classrooms. The following recommendations focus on aligning the DNA with the Education Act in order to provide a consistent approach for both the child care operator and the school board:

- Explore opportunities to harmonize the ratio of staff to children aged four and five years old under the DNA of 1:10 with the Education Act ratio of 1:13.
- Amend the DNA to relax the square footage requirements to allow child care operators to expand their JK/SK child care in extended day programs to align with space requirements for boards of education for the same group of children.
- Align the Fire Safety and Emergency Requirements under the DNA with the Education Act
- Align the Health and Safety Requirements in relation to Public Health Inspections under the DNA with the Education Act
- Allow children in extended day programs to access the same outdoor play space and outdoor play/climbing equipment as they play on during the regular school day.
- Align sleeping arrangements for children four years and up under the DNA with the Education Act
- Increase flexibility for Director's approval to include Child and Youth Workers and Recreational Specialists for school-age programs
- Align the DNA with the Education Act to allow child care providers to use all available student-use spaces in a school.
- Align the DNA with the Education Act to allow for a consist requirement for adult supervision of children for the duration of time the child is in the school.
- Align the water inspections and other requirements under the Safe Drinking Water Act for school-based child care centres with the Education Act.
- Explore opportunities to develop licensing requirements specific to 6-12 year olds that build on recreation type activities that are well planned with input from the children and their parents.

Stabilizing child care requires different strategies and a number of suggestions were made in relation to changes in the DNA or flexibility within the age groupings.

- Currently the legislated age groupings for children in care does not allow for mixed/family grouping. Having the flexibility built into the DNA could significantly increase opportunities for formal centre-based and home child care in rural and under-served areas. This amendment would enable child care providers to combine different aged children with one provider, where the community does not have enough critical mass or population to support a child care operation with different aged groupings and assigned staff.
- Amend the DNA to allow for a 20% mix of younger children in more than one age group in a licensed program. This recommendation will support financial viability, and is not intended to reduce quality.

Several other recommendations were made regarding DNA amendments that are worth consideration:

- Policies and Procedures required under the DNA are required to be in place at the time of obtaining a license and every year after. Policy and procedure requirements account for 23% of the DNA requirements. It is recommended that the Ministry implement a more efficient way to administer these requirements. One suggestion was that the Ministry could develop a secure web-based database that operators could log in to and provide the required licensing updates prior to the expiration of their license.
- Current legislation requires that one person for each age group should have a diploma in ECE or equivalent academic qualification. In an effort to increase quality, the Ministry should amend the DNA to require all program staff to have an ECE qualification.

There are two licensed home-based child care agencies in our community that provide services to families in both the City and County. Both operators report difficulties in finding providers to provide home-based child care. Potential providers are hesitant to commit to a licensed agency due to what they perceive as restrictions of the DNA. Amendments to the DNA would allow more flexibility for in-home providers and make providing in home child care more financially attractive. The following are the recommendations made in relation to licensed home child care DNA amendments:

- Legislate that all home-child care providers be licensed and implement financial penalties for individuals who provide child care services in unlicensed homes.
- Waive age groupings for home-based providers. The current requirement limits formal home-based providers' financial sustainability and the feasibility of delivering the early learning and child care program where delivery standards and credentials could otherwise be met. At present the regulations delineate how many children under 2, under 3, etc, a provider can accept within the 5:1 ratio. If this requirement was waived, it would be necessary for the licensing advisor and the licensed child care agency to agree that the provider has the capacity to adequately care for the children in their care.
- Regulate standard ratios for everyone providing in home child care services. Currently, the requirement that a formal home-based provider must include their own children in the ratio limits the ability of the in-home agency to attract supervised providers. Informal providers can make more money working independently outside of the supervised system. This restricts the agency's ability to decrease the number of unsupervised informal homes and increase overall quality in the system. A change is needed to support licensed home based child care agencies to expand the number of supervised formal home-based child care spaces, by leveling the playing field on available earnings.
- Allowing two care-givers to act as a team to provide care to children will provide mutual benefits for both care-givers and children, particularly around overall safety. This would be a welcomed change in rural communities who often do not have the option of large, organized child care centres and rely heavily on home-based care for children.

## **Funding to Ensure Stability and Affordability**

An important aspect of modernizing child care is to ensure that child care receives the financial investments necessary to guarantee stability over the long term. The changing demographics, a long history of underfunding, and the more recent introduction of FDK has put considerable stress on the child care system in Ontario. Ontario needs a transparent, outcome-focused and integrated funding system for children aged from birth to 12 years that allows for services to be delivered in an equitable way across the province and provides opportunity for long-term planning and sustainability. The following recommendations were made in relation to funding:

- Develop a new funding formula that provides stable and predictable base funding that is not tied to specific short term initiatives. The new formula should also include operational funding to cover the basic costs of operating a program regardless of the number of children enrolled and that encourages and supports the provision of care for infant and toddler aged children.
- Our community relies on the provision of services across a variety of service providers which includes non-profit and for-profit operators. We support the continuation of funding to support the current for-profit operators in our community as the loss of these programs would have a significant impact on the families using these services. However, we encourage the ministry to consider only approving new license requests from non-profit operators in the modernized framework.
- Establish a system of base-funding that does not exclusively rely on full-fee paying parents. The introduction of base-funding would help to stabilize current child care programs; would help to reduce parent fees, which would mean fewer families requiring fee subsidies; and would provide fair and equitable wages for registered ECE's and other child care staff. Base-funding allocations should ensure that child care operators are able to compensate qualified ECE staff with salaries and benefits that is in line with the salaries paid to their colleagues working in the FDK classrooms.
- Ensure that a new funding formula is indexed year over year to meet the growing needs within communities.
- Simplify the current funding model by eliminating all the different funding codes and provide block funding to CMSM's that allows them to administer and manage resources to support a system that meets local needs and agreed upon outcomes and core services.
- Simplify the fee subsidy application process by developing a centralized provincial on-line application system that is derived from available tax returns as the sole mechanism for determining eligibility for subsidy. Savings from the administration of fee subsidy could be applied to additional fee subsidies and supporting quality assurance in child care programs.

## **Accountability**

The CMSM's are key to systems planning however, the provincial government can establish and set the direction to drive the system. It's essential to develop a system where a partnership between different levels of government where leadership and responsibility are shared, while working toward common outcomes for children and families. A modernized child care system will establish a clear definition of roles and responsibilities of governments at different levels, parents and the community that is set out in legislation and policy. Responsibilities in early learning and child care range from service planning and development to maintaining and managing programs, financing, assessing and monitoring quality. If the various roles and responsibilities are unclear or unassigned, key functions such as program development and planning may be overlooked or like financing, may fall heavily on the shoulders of parents and staff working in the child care system.

CMSM's have a wide range of skills, expertise and experience and provide a single governance structure necessary to ensure consistent implementation of the early learning and child care system. CMSM's have the authority to (and are mandated to) give priority to the basic needs of their

communities and they know the needs of the families in their communities, and the scope of complexity, and often fragmentation of local services.

Child care programs have a fundamental and positive impact to the life of a school. The Ministry of Education has an obligation to ensure that school boards, administrators, superintendents, principals and teachers understand that early learning and child care programs are an integral and equal part of today's schools. Child care and schools are all part of the Ministry of Education and serve the same families and children. A modernized child care system will establish new and supportive ways for schools and child care centres to work together to provide high quality care for all of Ontario's children. Recommendations made in relation to accountability are as follows:

- Create a policy framework which recognizes child care as an equal partner and contributor to education and develop clear expectations for all Boards of Education for representation and participation at local planning tables to ensure that all planning is done in collaboration and not in isolation of the child care community.
- Create a policy framework that clearly defines the expectations for all school boards that ensures long term security of tenure for child care operators and fair and equitable access to all school facilities on instructional and non-instructional days.
- Ensure the DNA and other relevant legislation, and supporting regulations reflect the new modernized child care system with CMSM's as the service system managers and provide the necessary authority and resources for CMSM's to plan successfully for an integrated early learning and child care system with community stakeholders.
- Streamline existing data requirements and develop data sets that are relevant to inform provincial policy development and support local service system planning
- Develop a transparent process of data collection that allows CMSM's the ability to assess demand and make plans to build capacity within their communities. Collection of information on wages, fees and rent at the local level will allow policy makers and parents to better understand the child care system.

### **Capacity Building**

Research confirms that the majority of what makes a quality program is the staff interactions with children and families, staff satisfaction and the quality of the programming and curriculum being offered. Licensing today is based on checklists, technical requirements and forms. While participants believe that the administrative pieces are an important element that supports minimum standards it is essential that operators are supported to continually improve the services they provide, improve their practice with capacity building, mentoring and coaching.

With the provincial vision in mind to provide an integrated and comprehensive system of child and family services for families with young children, it's important for the government to continue the work of developing and supporting an integrated network of Best Start Child and Family Centres in communities across the province. With the continuation of this work in mind, coordinated services between child care operators, services for families and the community schools becomes a high priority when planning for capacity building. The following recommendations were made in relation to capacity building:

- Continue the work of developing the Best Start Child and Family Centres in communities and ensure the provision and resources to support the integration of services.
- Develop a provincial framework that establishes and promotes joint professional development and collaboration between the child care operators and school boards.
- Provide CMSM's with the financial resources and tools to assist operators with collaboration and capacity building.
- Legislate that child care administrators and supervisors have training in the administration of child care programs beyond what is currently offered through the community college ECE

programs. Administrators of child care programs need to have educational qualifications that go beyond the ECE diploma that will support them in operating a viable and strong child care operation.

## SUMMARY

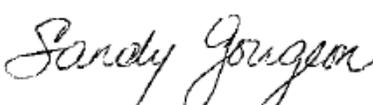
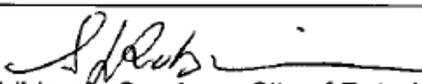
This is an exciting time of change for Ontario's children and families and the child care sector. We applaud the Government of Ontario for taking this very important first step toward establishing a modernized child care system. The "Modernizing Child Care in Ontario" discussion paper and subsequent community conversations have encouraged stakeholders to think outside the box and have provided an opportunity to inform the development of a child care system that is streamlined, strengthened and enhanced. Whatever recommendations are selected, it's important to recognize that in order to truly modernize the early learning and child care system the government will need to ensure that all changes are accompanied by adequate funding to stabilize and transform the system to enable higher-quality, consistent services that support growth for the future.

### Contact Information

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Endorsement of the Peterborough Planning Table for Children and Youth (PPTCY)	
By signing this Modernizing Child Care community response we confirm that the PPTCY committee members have read, understood and endorse the recommendations made in this report.	
Signed on the <u>21</u> day of <u>September</u> , 2012	Signed on the <u>21</u> day of <u>September</u> , 2012
Signature Co-Chair, PPTCY 	Signature  CMSM, Children's Services, City of Peterborough