

Request for Decision

Child Care Prioritized Wait List Policy

Presented To:	Community Services Committee
Presented:	Monday, Dec 02, 2013
Report Date	Wednesday, Nov 20, 2013
Type:	Managers' Reports

Recommendation

WHEREAS Children Services has had a \$2 million reduction to its budget and must reduce expenditures by \$1 million to meet targets, and;

WHEREAS a prioritization tool would enable expenditures to be reduced in line with Provincial revenue, and;

WHEREAS children who are identified as highest priority of need should have prioritized access to child care subsidy;

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury approve the Prioritized Wait List Policy for Child Care Subsidy outlined in the report dated November 20, 2013 from the General Manager of Community Development;

AND THAT the appropriate by-law be presented.

Finance Implications

The purpose of the Child Care Subsidy Wait List is to manage spending within the Child Care Subsidy budget, with the goal of reducing spending to meet targets. Spending levels will be monitored on a monthly basis, and based on projections, applicants will be wait listed to ensure that the allocated budget is not exceeded.

Background:

At the Community Services Committee meeting of June 17th, 2013, staff indicated that they would bring forward further information about a policy for a prioritized wait list for subsidized child care.

The policy was part of a series of cost cutting measures designed to respond to a significant reduction, by the Provincial government, to the City of Greater Sudbury's (City) budget for child care and related services.

Signed By

Report Prepared By

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Division Review

Ron Henderson
Director of Citizen Services
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Recommended by the Department

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Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
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This is the first time, in several years, that the City of Greater Sudbury has implemented a wait list for child care subsidy. Consultations were held with other Consolidated Municipal Service Managers and District Social Service Administration Boards and with local stakeholders to develop the proposed policy and the implementation guidelines. It is expected that over time, some adjustments may need to be made to ensure that the policy and implementation continue to meet both community priorities and needs.

Child Care Subsidy Program

Child Care Subsidy is a program delivered by the City of Greater Sudbury that helps families reduce their child care costs in licensed child care programs. Child care is a provincially mandated program, cost shared with the Ministry of Education. The program may cover all, or part, of eligible families' child care costs. The amount of subsidy provided is determined by a Provincial income test and other eligibility policies. The child care supported through child care subsidy includes a wide range of types of care: from infant to school age, full time, part time, year round, summer only, or on a shift work or as-needed basis.

Utilization

In 2012 Child Care Subsidy served approximately 2735 children. The program had a period of large growth between 2002 and 2009 and utilization has been relatively stable since then. (See graph in Appendix 1- Child Care Subsidy Utilization, 2003-2012.)

Budget:

In 2012, the City spent approximately \$10 million on Child Care Subsidy. The package of reductions approved by the Community Services Committee in June 2013 (of which the wait list is a part), is projected to reduce that spending by approximately \$1 million in 2014.

Child Care Subsidy – Program Details

Eligibility for child care subsidy

In order to apply for child care subsidy, families must live in the City of Greater Sudbury. Both parents (or the lone parent) must be working, or going to school during the hours when the child is in child care, or a medical, social or special needs referral must be completed by a qualified professional and provided to the Children Services office.

Children Services also administers the Early Development and School Readiness subsidy program for families receiving Ontario Works who are not part of the regular subsidy program. This program has separate eligibility criteria and wait list.

Parental Contributions- Provincial income test

The Government of Ontario sets the Provincial Income Test which determines families' contributions for child care. All applicants are assessed for eligibility using the Provincial Income Test.

Families who have an annual net taxable income less than \$20,000 will be fully subsidized and do not pay a parental contribution.

Families who have an annual net taxable income over \$20,000 are required to pay a monthly parental contribution. The Child Care Subsidy program pays for any approved child care costs that exceed the

assessed monthly parental contribution.

The following are examples of parental contributions for child care at different income levels.

Annual family income* \$20,000: monthly parental contribution \$0
Annual family income* \$30,000: monthly parental contribution \$83.33
Annual family income* \$50,000: monthly parental contribution \$416.67
Annual family income* \$70,000: monthly parental contribution \$916.67
Annual family income* \$90,000: monthly parental contribution \$1416.67
Annual family income* \$110,000: monthly parental contribution \$1916.67

*Annual family income is the combined net taxable income, based on line 236 of the applicant's most recent tax assessment.

The cost of child care

Currently, in Greater Sudbury, the approximate monthly cost of full time child care at community centres is as follows:

Infant Care (age 0-17 months): \$1,410
Toddler Care (age 18-29 months): \$891.75
Preschool Care (age 30 months until the start of school): \$804.75
School Age Care (age 4-12, before and after school): \$337.15

Child care subsidy- profile of families

In 2012, the Child Care Subsidy program served 1874 families. The average number of children per family was 1.46. Based on monthly statistics from June 2013, the profile of subsidized families is as follows:

Subsidized families- Family type

Lone parent families 78%
Two parent families 22%

Subsidized families- Family Income

Family income under \$20,000 50%
Family income \$20,000- \$60,000 46%
Family income over \$60,000 4%

Subsidized families- Reason for Service

Working full time 49%
Working part time 15%
Attending school 15%
Ontario Works (socialization/EDSR) 12%
Ontario Works (school or work) 4%
Other (self-employed, temp care etc) 3%
Referrals 2%

This information is available in chart format. Please see Appendix 2- Child Care Subsidy Profile of Families.

Child Care Subsidy Wait List- Implementation Guidelines

A Wait List Policy (Appendix 3- Wait List Policy) has been developed to guide the implementation of a wait list and to outline the priority system to be used. The main elements of the Wait List Policy are described below.

The Wait List Policy states that when the allocated Fee Subsidy budget for purchasing child care in licensed child care centres and home child care programs is being spent at the maximum expenditure level, new applicants will be placed on a modified first-come, first-served waiting list.

The wait list will be comprised of parents who have been pre-assessed and determined to meet eligibility requirements for subsidy based on the Provincial Income Test. Within each priority level, families will be prioritized by date applied. Families from lower priority levels will be offered care when eligible families with higher priority levels have been offered placement.

Priority Levels

The following priority categories have been established:

Immediate Placement (as soon as child care space is available)

Families who meet one or more of the following criteria:

- Families with a child with special needs, for whom a specialized placement is required and available.
- Families who are deemed to be in crisis, with a completed referral and with manager approval.
- Ongoing clients with an approved "break in service".

Priority #1

Families in receipt of Ontario Works who require care to work or attend school or training.

Priority #2

All other eligible families whose assessed family income is below the most recent, published median household income, as determined by Statistics Canada. (Currently this figure is \$62,481).

Priority #3

All other eligible families whose assessed family income is above the published median household income, as determined by Statistics Canada.

Projected impact

In June 2013, Council approved a series of policy changes that were designed to reduce expenditures in the Child Care Subsidy budget by approximately \$1,079,804.

At that time, the wait list was expected to make up approximately \$189,804 of those reductions.

Based on the average amount spent on subsidy per child enrolled in 2012 (\$3,701/year), there is a projected wait list in 2014 of approximately 50 children if demand for child care and the demographics and child care need of applicants remains stable.

However, it is important to note the huge variance within the amounts spent per child receiving child care subsidy. Costs range from a low of \$200/year for a school age child who, for example, may have required care only on professional development days, to a high of almost \$17,000 for a fully subsidized, full time, full year infant.

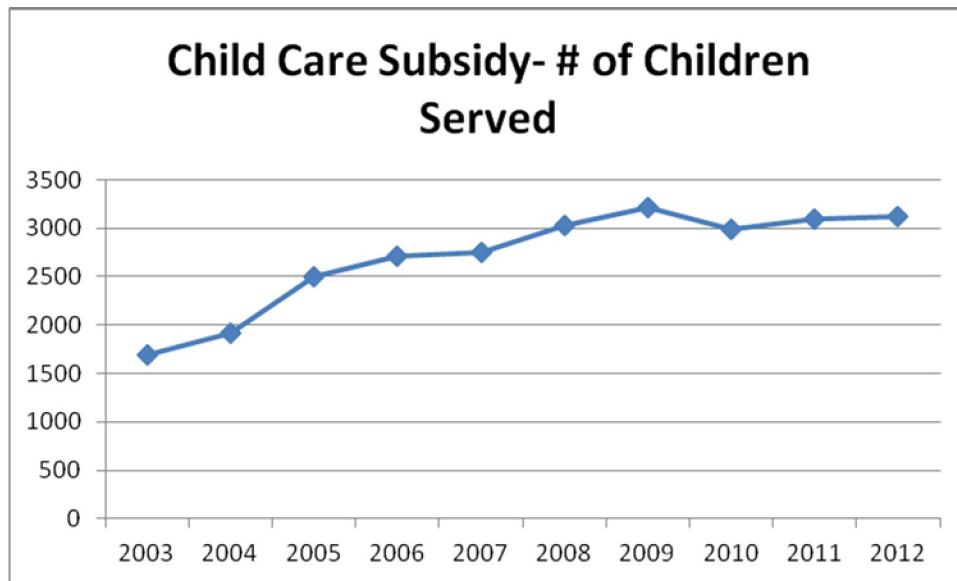
Any changes to the age of children, amount of care needed, or income level of applicants will impact significantly on the number of children wait listed.

Based on the priority levels in the Wait List Policy, the small number of eligible families with incomes over \$60,000.00 will be the most significantly impacted. However, some families with lower incomes will likely also have to wait for child care subsidy.

Evaluation

As this is a new policy and its impacts are not fully known, staff will come back to Council or the Community Services Committee in June 2014, to report on the implementation and impact of the new policy, and to recommend changes, as required.

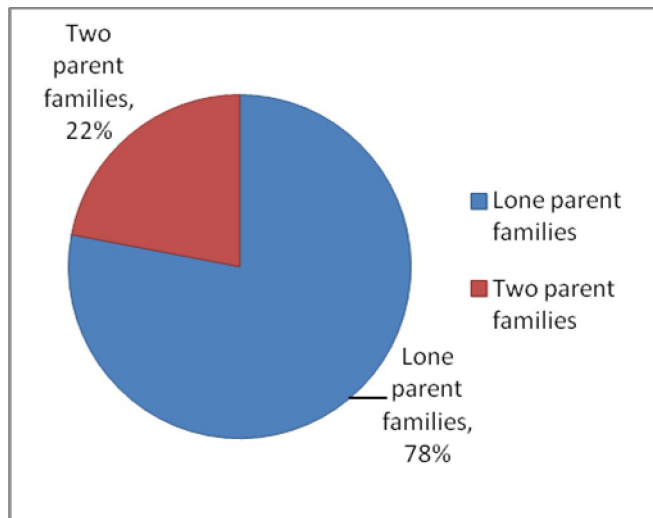
Appendix 1- Child Care Subsidy Utilization, 2003-2012



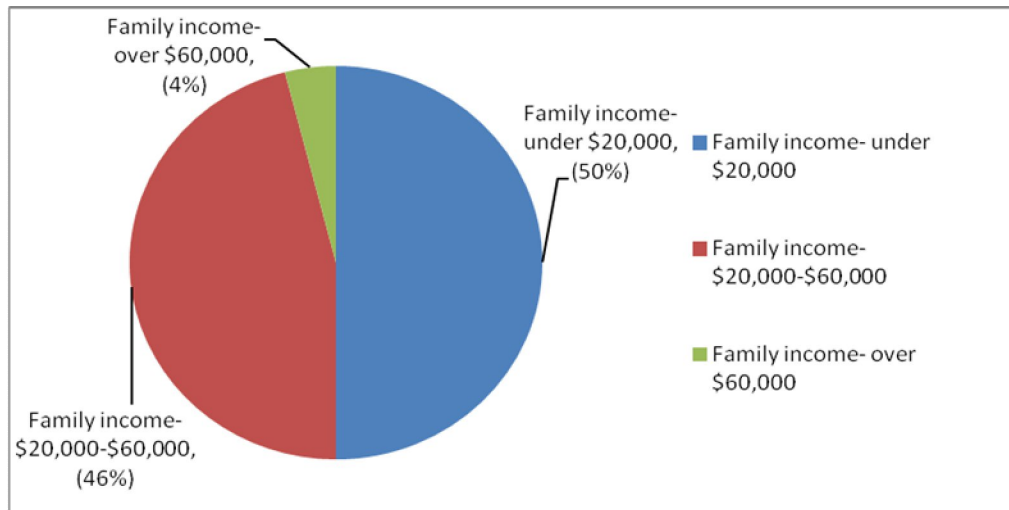
Appendix 2 Child Care Subsidy- Profile of Families

Based on June 2013, caseload report, OCCMS

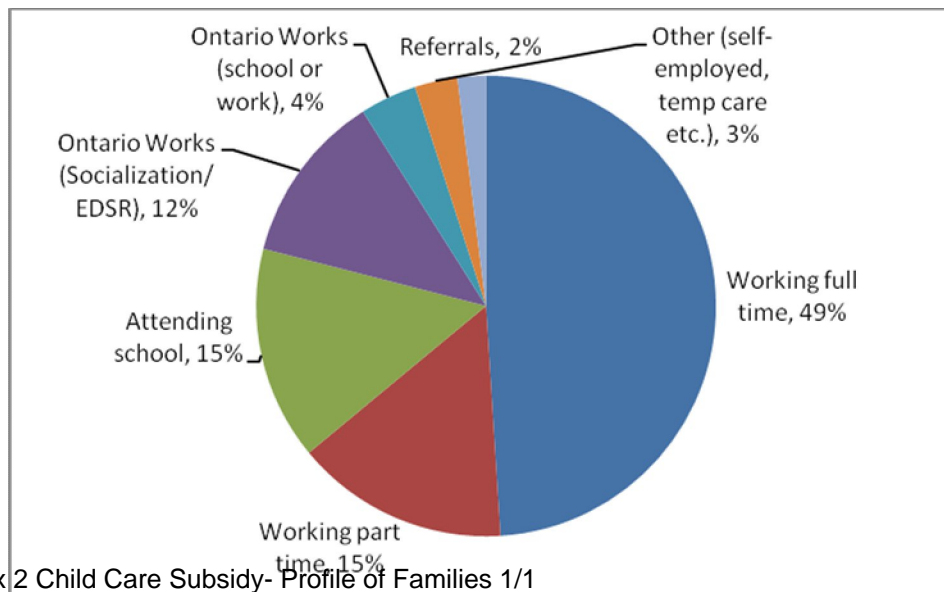
Subsidized families- Family type



Subsidized families- Family Income



Subsidized families- Reason for Service



Appendix 3- Wait List Policy

PRIORITIZED CHILD CARE SUBSIDY WAIT LIST POLICY Children Services Section, City of Greater Sudbury

Policy Statement

Starting January 1st, 2014, when the allocated Fee Subsidy budget for purchasing child care in licensed child care centres and home child care programs is being spent at the maximum expenditure level, Children's Services staff will place new applicants on a modified first-come, first-served wait list.

Purpose

The purpose of the Prioritized Child Care Subsidy Wait List (Wait List) is:

To ensure that approved funding under the fee subsidy budget is not exceeded.

To ensure that children who are identified as highest priority by the City of Greater Sudbury receive prioritized access.

To comply with the Day Nurseries Act, Provincial Fee Subsidy Guidelines and local policy.

Scope

This policy applies to the ongoing management of the regular child care subsidy budget by Children Services staff of the City of Greater Sudbury. This policy does not apply to child care provided under the Early Development/ School Readiness Policy and Waitlist which has its own eligibility, and priority wait list.

Policy Details

The Wait List is comprised of parents who have been pre-assessed and determined to meet eligibility requirements for subsidy based on the Provincial Income Test. Within each priority level, families will be prioritized by date applied. Families from lower priority levels will be offered care when eligible families with higher priority levels have been offered placement.

In order to maximize the full annual budget, end-of-year admission offers may be made to wait listed families within all priority levels, based on a matching of the cost of care required per family and the remaining available budget.

Priority System

The following priority categories have been established for the Wait List:

Immediate Placement (when child care space is available)

Families who meet one or more of the following criteria:

Families with a child with special needs, for whom a “specialized placement”^(a) is required and available.

Families who are deemed to be “in crisis”^(b), with a completed referral and with manager approval.

Ongoing clients with an “approved break in service”^(c).

Priority #1

Families in receipt of Ontario Works who require care to work or attend school or training.

Priority #2

All other eligible families whose assessed family income is below the most recent, published median household income, as determined by Statistics Canada.

Priority #3

All other eligible families whose assessed family income is above the most recent, published median household income.

Implementation details

The details of how the Wait List policy will be administered will be kept up-to-date in the Children Services procedural manual, and will include the monitoring, communication and record keeping procedures required to implement the policy.

Review

The implementation, impact and outcomes of the Wait List policy will be evaluated after 6 months, and again after 18 months, and changes to either the policy or implementation of it may be recommended at that time.

DEFINITIONS:

(a) “Specialized placement”: A specialized placement is a child care space for a child with special needs, for which specialized staffing has been approved, in consultation with staff from Child and Community Resources (CCR).

(b) “In crisis”: A family will be deemed to be in crisis for the purposes of the Child Care Subsidy Wait List, when the Manager of Children Services, in consultation with the professional providing the referral, deems that, without child care, the crisis is likely result in family breakdown in the imminent future.

(c) Approved “break in service”: A family will be approved for a “break in service” for the purposes of the Child Care Subsidy Wait List if the family temporarily will not require childcare for a period of not more than 13 months, and the parent/guardian has a documented “back-to-work” or “back-to-school” date. The family must be reassessed for subsidy eligibility, following regular subsidy procedures, at the end of the break in service period.