

## **Schools-First Child Care Capital Retrofit Policy Implementation**

<b>Date:</b>	January 17, 2013
<b>To:</b>	Community Development and Recreation Committee
<b>From:</b>	General Manager, Children's Services
<b>Wards:</b>	All
<b>Reference Number:</b>	

### **SUMMARY**

---

This report seeks authority for the General Manager, Children's Services, to approve joint school board – City plans for the investment of capital funding allocated to school boards under the provincial Schools-First Child Care Capital Retrofit Policy.

The Ontario Ministry of Education is providing \$113.0 million over three years to school boards across Ontario to convert current licensed school-based child care spaces for four- and five-year olds to spaces that can be licensed for younger children. The purpose of the Schools-First Child Care Capital Retrofit Policy is to guide the education and child care sectors as they plan for and repurpose school space to serve children from birth to 3.8 years (before kindergarten age). Consolidated Municipal Service Managers (CMSMs) have been directed by the Province of Ontario to develop plans for child care retrofits jointly with school boards. Children's Services Division is the CMSM for child care in Toronto.

### **RECOMMENDATIONS**

---

The General Manager, Children's Services, recommends that:

1. City Council provide authority to the General Manager, Children's Services, to endorse joint CMSM-school board plans for the investment of capital funding allocated to boards of education under the provincial Schools-First Child Care Capital Retrofit Policy; and

2. City Council request that the General Manager, Children's Services, work with the Ministry of Education to develop appropriate and achievable space conversion targets for Toronto under the School-First Child Care Capital Retrofit Policy

## **Financial Impact**

Capital funding available through the Schools-First Child Care Capital Retrofit Policy is allocated by the Province, and will be forwarded directly to the school boards by the Province. Consequently, there is no financial impact to the City.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

At its meeting of October 2012, City Council adopted a report containing details on the first allocation of new provincial funds for child care. The report also contained the City of Toronto's response to the provincial discussion paper "Modernizing Child Care in Ontario: Sharing Conversations, Strengthening Partnerships, Working Together". The discussion paper identified the schools-first preference of the Ministry of Education <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.CD15.7>

## **ISSUE BACKGROUND**

As Full-Day Kindergarten is implemented, four- and five-year olds are transitioning from child care to full-time, school-based programs. At the same time, resources are required to help child care operators increase services to pre-kindergarten children (birth to 3.8 years). Children's Services has completed a ward analysis showing the wards most at-risk of having insufficient child care capacity once Full-Day Kindergarten is implemented. The ward analysis was adopted by Council through report CD8.1 titled "Transitional Issues Impacting Toronto's Child Care System and Recommended Actions for Mitigation". <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.CD8.1>

On July 10, 2012, the Ministry of Education announced a Schools-First Child Care Capital Retrofit Policy that provides \$113 million over three years to support child care programs located in schools across Ontario. These funds are in addition to new assistance for child care operators totalling \$90 million in 2012-13, \$68 million in 2013-14, and \$84 million in 2014-15 across the province. The purpose of this funding is to convert current school-based licensed child care spaces for four- and five-year olds and space not required for instructional purposes to spaces that can be licensed for younger children. These funds will flow through boards of education. Toronto's four school boards are required to plan with Children's Services for the investment of these resources. Children's Services consultants will be visiting schools to identify specific sites that could be invested in under the policy.

Board-by-board allocations were announced in November 2012. The allocations for Toronto school boards are as follows:

<b>School Board</b>	<b>2012-13 School Year</b>	<b>Total Allocation</b>
Toronto District School Board	\$8,930,200	\$14,403,500
Toronto Catholic District School Board	\$2,232,600	\$3,600,900
Conseil scolaire de district catholique Centre-Sud*	\$2,115,100	\$3,411,400
Conseil scolaire Viamonde*	\$814,600	\$1,313.800

\*Note: French school boards cover a larger area than Toronto and a portion of their allocations will be used outside of the city.

The Ministry of Education has identified space conversion targets for school boards and CMSMs to meet over the three years. The TDSB target is 2,432 spaces and the TCDSB target is 608 spaces. Children's Services through its preliminary work with school boards has identified some issues with achieving these targets in Toronto. Targets assume that there is sufficient physical capacity available in schools and that there is a demand for child care for younger children in every school. These assumptions do not reflect the reality in Toronto, nor do they reflect the City's role as service system manager or the existing Child Care Service Plan. Ideally, space conversion targets would have been established by CMSMs and based on local knowledge and planning. In addition, sufficient funding is not available to both achieved targets and address start-up costs. Without financial assistance, many centres do not have their own start up funding. Finally, these new spaces are not accompanied by new subsidies, meaning that centres that depend on subsidized families could have trouble filling the spaces. Consequently, further work with the Province is required to address the issues associated with the space conversion targets.

Investments under the policy may be made in previously licensed child care space or space not required for instructional purposes. Eligible expenses are those that are incurred to meet *Day Nurseries Act* requirements, Building Code standards, and, where necessary, first-time equipping (including indoor and outdoor furniture and equipment for younger age groups). As a result, licensing of conversions will impact the workload of City Divisions including Toronto Children's Services, Toronto Building, Toronto Fire, and Toronto Public Health.

Retrofitted space may be used by an existing on-site child care operator or a non-profit community child care operator that wishes to relocate into a school setting that does not currently have an operator. For-profit operators already located in schools that have a purchase of service agreement with the City as of July 10, 2012 are also eligible under the policy. For the province, non-profit and municipal operators are the preferred service

providers in schools, a direction that is consistent with the City Council-approved Child Care Service Plan.

## **COMMENTS**

Child care based in schools is convenient for many children and families as it can minimize transitions for children and provides a single point of access for early childhood services while the Schools-First Child Care Capital Retrofit Policy will increase the number of child care spaces for children aged 0-3.8 years in schools, it does not represent an overall increase in the size of the licensed child care system due to the decrease in the number of four- and five-year olds in care.

While the policy allocates funding to school boards, it dictates that plans be developed and approved jointly by boards and CMSMs. Children's Services is already engaged in this process with Toronto school boards. CMSMs are best suited to lead these planning and investment processes, with Boards of Education at the planning table, because CMSMs are able to take a system-wide perspective.

There are 366 child care programs located in Toronto schools. The 88 centres that serve Full-Day Kindergarten and school-age children were not considered for investment because they are already in shared space, leaving 278 centres in schools to be analyzed for strategic investment under the Schools-First Child Care Capital Retrofit Policy. Children's Services has been working with Toronto boards to determine the school rooms where capital investments should take place. A centre must have existing space available, or the school board must identify alternative space in a school that could be reconfigured for that school to be considered for investment.

Investments will be made strategically to support high-quality and sustainable programs, and to address the needs of communities and of the entire child care system in Toronto. Children's Services will use the ward analysis and local community plans to identify strategic priorities for this funding based on wards identified as at greatest risk of losing access to child care through the ward analysis process. Recommendations will follow the principles of the City Council-approved Toronto Child Care Service Plan 2010-2014. These include:

- Service access based on age and geographic equity;
- Publicly planned and accountable service outcomes;
- Recognition that services and families should be planned and delivered in an integrated way that promotes seamless service transitions;
- Agreement that expansion of the child care system take place through public and/or not-for-profit delivery; and
- Commitment to advancing quality and directing resources to the improvement of quality for children's services in Toronto.

Approved plans will be submitted to the Ministry of Education in early 2013.

## **CONTACT**

Karen Gray  
Director, Service System Planning and Policy Development  
416-397-1465  
gray@toronto.ca

## **SIGNATURE**

---

Elaine Baxter-Trahair, General Manager  
Children's Services