

Planning for Ontario Early Years Child and Family Centres in Toronto

Date: September 6, 2016

To: Community Development and Recreation Committee

From: General Manager, Children's Services

Wards: All

SUMMARY

This report provides information on the transfer of provincially-funded child and family programs to the City of Toronto, and on Children's Services' plan to manage the system transformation in partnership with the community. It also outlines the opportunities, challenges, and financial considerations associated with this transformation.

RECOMMENDATIONS

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

1. Request that the Province of Ontario recognize and fund all costs associated with the planning, transformation and ongoing service system management of child and family programs.
2. Authorize the General Manager, Children's Services to accept provincial funds in the amount of \$219,458 to support the full cost of data analysis services in the form of two permanent staff positions.
3. Authorize the General Manager, Children's Services to establish and recruit for three permanent positions, all 100 per cent funded by the Province: two to provide data analysis services; and one to support french-language planning and implementation of Ontario Early Years Child and Family Centres, with positions coming on stream in January 2017, and included in the complement of the 2017 Operating Budget Submission.
4. Request the General Manager, Children's Services to report to City Council on the funding formula, including the allocation of provincial resources to be provided to Toronto and on the financial impact to the City for the transformation, sustainment and

delivery of child and family programs, when the funding formula and allocation becomes available early in 2017.

FINANCIAL IMPACT

The funding for data analysis services from the Ministry of Education to Children's Services in the amount of \$219,458, anticipated in January 2017, is reflected in the 2017 Operating Budget for Children's Services. This funding will assist with costs associated with the planning and administration of service system management and the transformation of child and family programs. It is the only new administrative support to be provided by the Province to the City for this purpose at this time.

The Province determines its funding allocation to municipalities based on a number of factors, one of which is language. Part of this annual funding, in the amount of \$106,200, will be used to support the creation of a french-language training coordinator to support capacity-building and the planning and implementation of Ontario Early Years Child and Family Centres for the french-language community, as mandated by provincial guidelines. This funding is also reflected in the 2017 Operating Budget for Children's Services.

Children's Services will engage external planning support through an RFP process, using existing funding included in the Program's 2016 Approved Operating Budget and 2017 Operating Budget Submission to expedite the planning and transition process with the community.

The ongoing contract management of child and family programs is a new responsibility which will require significant resources. However, provincial allocations to Consolidated Municipal Service Managers are currently unknown and the costs and funding for these programs will not be announced until 2017, with contract management responsibilities beginning in 2018.

Children's Services will report on the details of the funding formula and City allocation and on their impact on the Program's future years' operating budgets, following the provincial release of this information in 2017.

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

DECISION HISTORY

At its meeting of June 23, 2016, the Community Development and Recreation Committee requested the General Manager, Children's Services to report to the Committee's September 20, 2016 meeting on the provincial announcement on Child and Family Centres, a summary of current services in Toronto, and the proposed public consultation and municipal engagement strategy.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.CD13.12>

At its meeting of April 1, 2, and 3, 2014, City Council approved a City response to proposed provincial regulatory and legislative changes, which included a request to consolidate Data Analysis Coordinators with the municipality.

At the same meeting, City Council adopted the following: "In the event that the Ministry of Education takes the steps necessary to transfer responsibility for Data Analysis Coordinators to municipalities in order to support municipalities in their roles as service system managers for children's services, City Council direct the General Manager, Children's Services to work with the Executive Director of Mothercraft, the agency that currently houses Toronto's Data Analysis Coordinators, to ensure a seamless transition and to mitigate any service impacts that the agency may experience."

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.CD27.3>)

At its meeting of October 2, 3 and 4, 2012, City Council endorsed a submission to the Province in response to the discussion paper titled, "Modernizing Child Care in Ontario". The submission included the statement that: "Better integration of the early learning sector may require that the responsibility for disparate programs (such as Ontario Early Years Centres; parenting supports; data analysis functions, and others) be transferred to the Ministry of Education and managed by service system managers"

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.CD15.7>

At its meeting of January 26 and 27, 2010, City Council requested the Province of Ontario to include planning and associated resources for Ontario Early Years Centres under the municipal system management formula with a view to integrating services into a single system.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.CD29.1>

BACKGROUND

Every year, thousands of families benefit from child and family programs in communities across Ontario. The Ontario Ministry of Education currently funds four such programs for children and families. They are Better Beginnings, Better Futures; Child Care Resource Centres; Ontario Early Years Centres; and Parenting and Family Literacy Centres.

In Toronto, the scope of these four program types consists of:

- Two Better Beginnings, Better Futures (BBBF) programs delivered by two community agencies and funded by the province. The program model is designed to prevent young children in low income, high risk neighbourhoods from experiencing poor developmental outcomes. These programs provided service to 1,437 children and 1,265 families in 2014-15. In 2016-17 the provincial funding allocation is \$1,302,105.

- Forty-four Child Care Resource Centres (CCRCs) delivered by 34 agencies and either partially or fully funded by the City. The agencies are community-based organizations that work with children, families and caregivers, guided by principles that focus on building supportive relationships, facilitating growth, respecting diversity and furthering community development. City data shows that 16,671 parents/caregivers and 17,184 children were served in these programs in 2015. The 2016 provincial funding allocation to these centres is \$1,700,400. The City's funding for the same time period was \$2 million.
- Twenty-four Ontario Early Years Centres (OEYCs) including Aboriginal and French-language centres, delivered by 20 agencies with 118 satellite locations delivered by the funded agency or a third party. OEYCs offer free programs to parents and caregivers and their children and provide information about child development. These are 100 per cent provincially-funded centres that served 49,881 children and 43,385 parents/caregivers in 2014-15, with a current provincial funding allocation of \$12,238,764.
- 98 Parenting and Family Literacy Centres (PFLCs) funded by the Province and delivered by and located in three school boards. These provide play-based programs that are designed to support children's early learning and development and are aligned with the Kindergarten program. Based on 2014-15 school year reporting, PFLCs in Toronto had 307,991 total reported child visits and for the 2016-17 school year, received \$5,723,160 of provincial funding.

The total annual provincial funding for the four program types in Toronto is approximately \$21 million. Provincial allocation figures are based on either 2016 or 2016-17 allocations. (Some entities are currently transitioning from a fiscal year cycle to a calendar year cycle. However, the allocations provided reflect a full-year of funding.)

While these programs are important community resources, they have different services, mandates, governance structures, and historic funding agreements. This has led to an unpredictable and fragmented system that is not equitably distributed across the city. Although many of the programs are well accessed, it has been identified that there are still children and families who never participate in or access child and family programs for a variety of reasons, including geography. Shifting demographics, new compositions within neighborhoods, and new research on early childhood development additionally contribute to the factors that must be considered through coordinated planning of child and family programs.

Provincial Announcement: Transforming Child and Family Programs

On February 19, 2016, the Ministry of Education announced the transformation of the four provincially-funded child and family programs, which will be consolidated and branded as Ontario Early Years Child and Family Centres (OEYCFCs). OEYCFCs are envisioned to: provide parents, caregivers and their children with access to a core suite of high-quality early years programs; enhance public awareness of available programs and services; distribute programs based on demonstrated community needs; and integrate programs with other relevant early years and community services. The development of Child and Family Centres has been anticipated since 2009 when Dr.

Charles Pascal, the Premier's Early Learning Advisor, included a plan for child and family-focused hubs in his report titled "With Our Best Future in Mind".

While many of these programs are important community resources, the Province has identified some important reasons for pursuing this change. These include the current fragmentation of programs, lack of awareness by many parents of the services available, the inequitable distribution of programs (especially in light of changing demographics) and the variation of services between sites.

To address these challenges, a key part of the announcement was that Consolidated Municipal Service Managers (CMSMs) will be required to plan and manage the delivery of core OEYCFC services under provincial guidelines. CMSMs will lead the planning process and will be able to determine how services are delivered and by whom. This is the same model in place for child care, where Children's Services manages the system locally under provincial guidelines. This municipal responsibility also aligns with the vision for Child and Family Centres initially set out in the Pascal report and reiterated in the 2013 Ontario Early Years Policy Framework.

Immediate responsibility of CMSMs in this role include: conducting a comprehensive needs assessment, including for French-language and Indigenous communities, and delivering an initial service plan with the goal of increased access for children and families. Parents and caregivers, school boards, program agencies and other community partners are to be engaged to inform the planning and delivery of programs. CMSMs will be charged with the ongoing responsibility of managing provincial funds and third party contracts associated with the delivery of OEYCFCs and measuring and reporting on the impact of these programs and services on children, parents and caregivers.

The City of Toronto, on a number of occasions has advocated for these changes in order to apply a locally responsive, system planning lens to how these programs are delivered and to integrate them into a comprehensive early years system of services. That the Province has acted on these requests is a positive step towards more integrated and locally responsive services.

Planning guidelines for Service System Managers were released to municipalities and service providers on July 25, 2016. Key dates set out in these guidelines include:

- August 2016: launch of local needs assessment.
- Early 2017: release of new OEYCFC funding approach and allocations to CMSMs/DSSABs. The Ministry has committed to maintaining its current Provincial investment of over \$100 million in child and family programs across the province, but has not committed to providing CMSMs with additional resources for planning and managing the system beyond transferring funding for data analysis services.
- May 2017: submission of needs assessment summaries and initial plans and recommendations for OEYCFCs. This will include a description of the processes

and data used to assess community needs, number of children from birth to age six, and initial plans for site locations.

- January 2018: Implementation of OEYCFC funding approach and transfer of service system management to municipalities.

This timeline will be difficult to meet given the size and complexity of the child and family system in Toronto and the resources that have been made available to date. While Children's Services currently has contracts with 34 agencies providing 44 programs, the scope of this initiative involves close to 60 agencies currently operating approximately 286 programs (including satellite locations).

In order to address fragmentation and service inequities, provincial guidelines identify core services that will be part of every OEYCFC. These services are related to engaging parents and caregivers; supporting early learning and development; and making connections to other family services. In addition to the core services, customized community connections will be provided to meet the needs of local communities. While these have not been identified, the Province has cited specialized services provided by health professionals, settlement services, or child welfare agencies as examples. OEYCFC services may be offered through a variety of methods. While physical centres will be established, mobile services and virtual hubs or phone lines are also permitted. Services may be delivered by the CMSM, school boards, and not for profit service providers.

To support the planning and ongoing management responsibility for OEYCFCs, two additional funding resources are being transferred to municipalities. In January 2017, data analysis funding (formerly known as Data Analysis Coordinator funding) in the amount of \$219,458 will be transferred to the City. This initial transfer of funding has been communicated as transitional while the Ministry works to develop a long-term funding framework for OEYCFCs. The allocation has been determined based on child population data as well as a base minimum funding level for all CMSMs/DSSABs. The funding will continue to be received as a portion of future OEYCFC allocations going forward.

Data Analysis Services will support data gathering, analysis, and reporting needed for research, evaluation, and planning in Ontario's early years sector. The timing of the transfer of these resources is to support the preliminary planning process for OEYCFC implementation. Although no other specific allocation for administration funding has been identified by the Province, Children's Services has been informed that through the rationalizing of existing services, CMSMs can access administration resources from the total funding envelope. Depending on the funding framework, this could reduce the funds available to support existing programs and is a concern as the new funding approach or allocation will not be known until 2017. The lack of resources for the planning and ongoing management of such a complex initiative could be a barrier to its success.

It is recommended that a portion of provincial funding allocated annually to municipalities on the basis of language be used to hire a french language training

coordinator to support the planning and implementation of OEYCFCs for the french-language community.

The Province has also announced that the Early Literacy Specialist (ELS) program's funding and services will become part of the system transformation to establish OEYCFCs. ELS funding will be redistributed to CMSMs/DSSABs from the Ministry of Children and Youth Services as part of the new funding approach for OEYCFCs in January 2018. These funds will be used to meet the core OEYCFC service requirements outlined in the provincial guidelines. The Ministry has not provided an ELS allocation for the City of Toronto.

COMMENTS

Public consultation and municipal engagement strategy

A community consultation process has already begun. The community of family support service providers is involved in designing the engagement process and will be involved in gathering information and informing the plan for OEYCFCs in Toronto. On June 1, 2016, Children's Services hosted the first of many conversations for child and family service providers called, "The Road Ahead". This first meeting was designed for Children's Services staff to listen to concerns and ideas, and to begin setting a planning process. A second community meeting was held on July 27 to further develop principles and a planning structure for advancing this initiative. Similar meetings with the broad family support sector will continue every two months throughout the planning and implementation period.

An essential piece of this process is the development of a structure that supports the community's ability to design and participate in this process. Drawing on existing networks of family support providers, Children's Services is establishing a community advisory committee that will assist the division through all stages of this transformation. Community members will have an opportunity to express interest in participating on this committee. The Steering Committee of the Toronto Child and Family Network (a partnership between a cross section of agencies and organizations that is working to enhance community engagement, organize and integrate services, and align planning, policies, processes and programs) will also direct this process from a broad systems perspective. Parents and families will also be consulted and Children's Services will use a variety of techniques, including focus groups and surveys.

Due to the complexity of this transformation, the number of programs involved, and the short timeline, external planning assistance will be engaged through a Request for Proposal process using funds available from within the Children's Services budget. Through community engagement, this consultant will work with staff to complete the needs assessment and develop a local plan for OEYCFC programs and services in Toronto. With the adoption of recommendation 3 of this report, Children's Services will also establish positions to provide data analysis and French language planning support. These will be filled immediately upon receipt of provincial funding in January 2017 to support the planning process.

Finally, Children's Services is working with Mothercraft, the community agency that until January 2017 has received the funding for data analyst services. A preliminary discussion with Mothercraft has already taken place to ensure a seamless transition and to mitigate any service impacts that the agency may experience.

Issues

While the transformation of child and family programs represents an opportunity to improve how children, families and caregivers access services, the new responsibility for service system managers comes without additional administrative requirements beyond the data analysis funding. Traditionally, the Province allows up to 10 per cent of the CMSM allocation to be used for administration. Again, Children's Services has been informed that through the rationalizing of existing services, CMSMs can access administration resources from the total funding envelope, which reduces funding for programs. Additionally, funding for Ontario Early Years Centres has been frozen since the programs were introduced in 2002, meaning that program budgets have absorbed inflationary cost increases for 14 years. At this time, funding amounts are unknown, including whether Toronto will continue to receive funding at current levels.

This transition will also be a significant change for service providers and requires an inclusive and thorough planning process to determine existing services, sites, and service gaps. As indicated by the Province, programs are currently not equitably available across the city. If, as expected, there is no increase over current funding levels, existing programs may need to be redistributed in order to achieve more equitable access. The provincial guidelines acknowledge that while service continuity should be maintained for frequently used programs, where possible, "in some communities adjustments will be necessary to better meet the needs of children and families and to align with the vision and core service requirements for OEYCFCs". Through the guidelines, CMSMs are explicitly required to enhance, relocate and or reconfigure OEYCFC programs and services to meet community needs.

Work required to fulfill the City's role in the transformation process includes:

- Establishing and implementing data analyst and French language positions
- Conducting a city-wide environmental scan and needs assessment
- Ongoing multi-channel consultation and communication with service providers and families
- Addressing the unique needs and interests of Francophone and Indigenous families
- Developing initial service plans with recommendations that address service gaps
- Develop capacity building and quality assurance programs
- Establishing business processes to support the City's new relationships with service providers and to ensure financial accountability
- Establishing new contracts and reporting relationships with agencies
- Developing an Information Technology system to collect, analyze, and report data and monitor the sector

In 2018, when OEYCFCs are in place, resources will be needed for service modernization and realignment, ongoing contract management and evaluation

responsibilities. Children's Services anticipates that additional staff beyond the three staff identified in this report will be required on an ongoing basis to manage new contracts, which includes reviewing annual financial requirements, data collection, program visits, quality assurance, financial management, and other tasks.

Under the new *Child Care and Early Years Act*, Children's Services is required to implement a number of new regulations, of which the creation of OEYCFCs is one of the most significant. Other regulatory obligations include:

1. A new ability for CMSMs to authorize certain recreation programs to offer care to children 6 to 12 years of age after school. This will require, among other things, legal review of the regulation to assess the City's liability (if any), and the development of new criteria, processes and accountability structures.
2. A new duty for school boards to work with CMSMs to provide after school programming for 6 to 12 year olds and to jointly determine need, also requiring guidelines and joint planning structures.
3. New optional age groupings for child care that will be piloted over a two year period. Children's Services is participating in a provincial advisory group that will inform the implementation and evaluation of the pilots. These pilots would mean that up to 10 programs would be operating outside current process and would require additional supports to monitor impacts and to ensure compliance with existing service contracts.

While these initiatives are important components of creating an integrated early years system, the required resources to be effectively planned, implemented, administered and measured.

In addition to the need for planning and administration resources, the timing of Ministry deadlines relative to the release of information could hinder the planning process for OEYCFCs. While the needs analysis and initial plan for OEYCFCs is due in spring 2017, funding allocations will not be known until 2017. In a complex system with well over 250 existing programs within the scope of the initiative, these requirements will cause administrative challenges.

Finally, Children's Services does not have formal relationships with many of the organizations currently delivering child and family programs, for which responsibility will be transferred to the City. While many of these organizations have strong histories, and are known as important contributors to the system of child and family services, there will be a level of uncertainty regarding the ongoing viability of certain programs and organizations. Before entering into service contracts, Children's Services will take steps to ensure the viability of program providers. This is likely to include site visits, data collection, budget analysis, training workshops, and other activities.

It is because of these significant issues that Children's Services has developed an open and transparent planning and communications process, including a dedicated website to provide updates and house information (toronto.ca/toeycfc) and a dedicated email address (toeycfc@toronto.ca). Children's Services will continue to provide the

community with information and opportunities to participate throughout the planning and implementation period.

Conclusion

The provincial announcement regarding the transformation of child and family programs and the transfer of responsibility to municipalities is good news, and will result in improved services for children, families and caregivers. At the same time, the timeline and funding challenges may create difficulties throughout the planning and implementation phases of this initiative. Children's Services will report back to City Council in 2017 with the provincial funding formula and allocations are known.

CONTACT

Karen Gray, Director,
Service System Planning and Policy Development,
Toronto Children's Services
416-397-1465
gray@toronto.ca

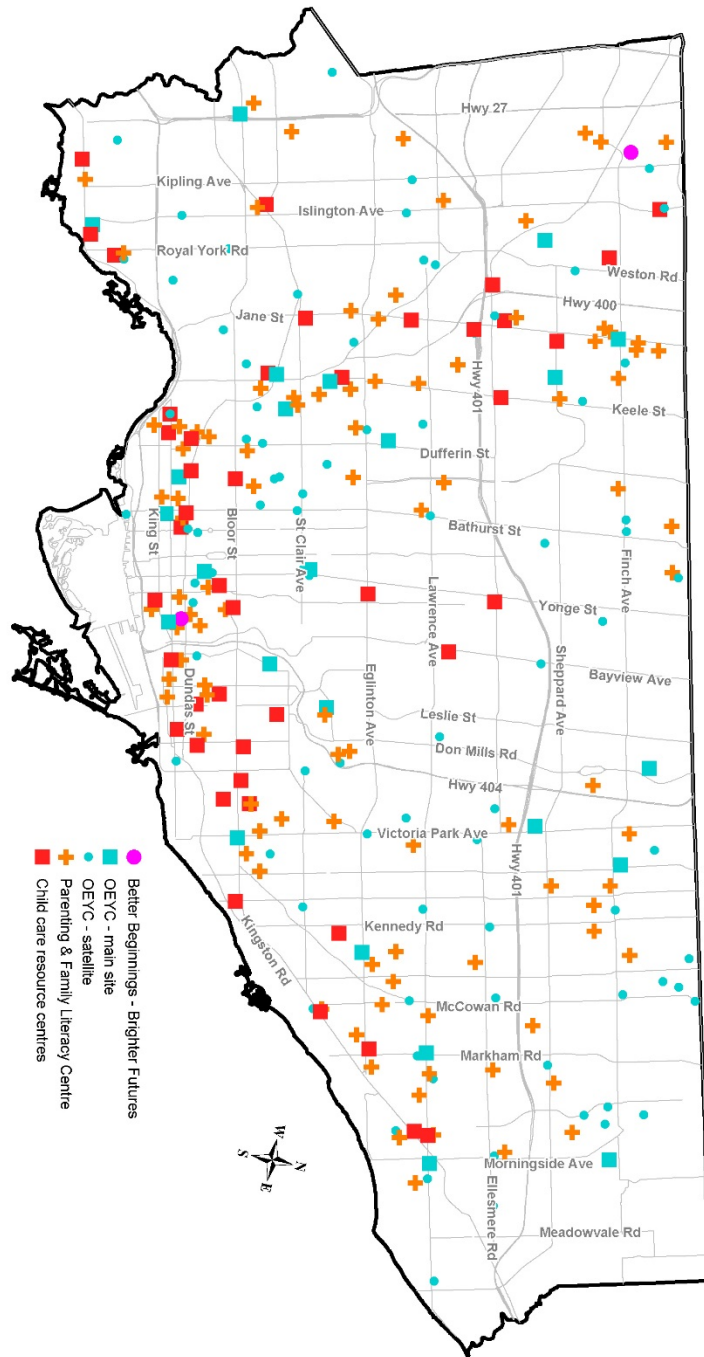
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Elaine Baxter-Trahair
General Manager, Children's Services

ATTACHMENTS

Attachment 1: Map of Current Child and Family Programs

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Child and family programs in Toronto - September 2016