



REPORT TO: Co-Chairs and Members of
Public Health and Social Services Committee

SUBJECT: **Child Care Fee Subsidy and Service Delivery Update**

RECOMMENDATION

That this Committee recommends to Regional Council that this report be received for information.

EXECUTIVE SUMMARY

- In 2008, 2,307 families (about 4,700 children) were in receipt of child care subsidies to assist with their child care costs.
- Of those families in receipt of child care subsidies across all categories, average annual income is \$21,096.
- 83.7% (1,931 families) on Children's Services active Fee Subsidy caseload are considered to be working poor with average earnings of \$22,798.55, only 10.9% higher than the current low income cut off level of \$21,000.
- Families in receipt of child care subsidies continue to struggle to maintain their independence from social assistance during the current economic downturn.
- ProKids access has been extended to include opportunities for working poor families with taxation income of \$40,000 or less to access recreation/cultural opportunities.
- Children's Services has implemented a number of service delivery process improvements to mitigate impacts of the economic downturn and improve customer service using technology, community partners and co-location.

FINANCIAL IMPLICATIONS

There are no financial implications directly associated with this report.

PURPOSE

The purposes of this report are to update Committee and Council on:

- Families in receipt of subsidies in Niagara;
- The impact of child care subsidies provision from family and community strengthening perspectives: and
- Child care supports, service access and placement system improvements.

BACKGROUND

As outlined in COM 02-2008, Children's Services is responsible for the determination of financial eligibility for assistance with child care costs and ProKids for families across Niagara. The methodology used to determine eligibility is based on an income test. The income test is intended to assess eligibility based solely on income information associated primarily with taxation information. The income test was positioned to simplify the eligibility determination process by considering solely the "adjusted income," which is the family's gross income confirmed on the family's most current Federal Notice of Assessment (NOA) as provided by Canada Revenue Agency.

In the case of eligibility for a child care placement, an income threshold of \$20,000 or less is the point at which a full subsidy is available. A sliding scale calculation method above \$20,000 has been utilized to determine when families would be eligible for a partial subsidy. All applicants are required to complete an income test with the exception of those in receipt of social assistance.

The income threshold cut off level of \$20,000 beyond which parental contributions are charged is proving to be too low, particularly for families in the working poor category with earnings based on gross taxation income of \$40,000 or less. There is less flexibility with income testing than there was with the former needs testing to adjust to economic trends.

Eligibility for ProKids has been extended to include working poor families who may not be in receipt of child care subsidy, social assistance or residing in an affordable housing location to families with taxation income of \$40,000 or less. This results in one-stop access for working poor families who may or may not be in receipt of any other type of subsidy but who wish to have their children/youth participate in the recreation/cultural program of their choice.

REPORT

The most recent research has proven that access to affordable quality services and supports including child care are an important component to a family's economic success and general well-being. Families are strengthened when parents/guardians have the necessary opportunities, relationships, networks and supports to raise their children successfully.

Based on feedback received through ongoing community consultations and surveys, Children's Services priorities continue to be focused on families to promote economic success. This is being achieved in the provision of improved service delivery access options and continued leverage of collaborative partnerships to effectively meet the diverse needs of families through the:

- Distribution of subsidies to assist with child care and ProKids recreation/cultural costs;
- Implementation of service delivery process improvements including an electronic application for service process and co-location of staff within local communities; and
- Participation in community based projects.

Distribution of Subsidies

Niagara's child care fee subsidy system supported 2,307 families, (representing approximately 4,700 children) with a caseload average annual income across all family categories profiled of \$21,096.36, with child care and ProKids costs. Since the program started in 2001 ProKids has supported in excess of 3,561 families and 4,659 children.

The largest percentage of families in receipt of child care subsidies (83.7%) are working poor families employed in entry level jobs. Their earnings on average are \$22,798.55, only 10.9% higher than the current low income cut off level of \$21,000 (see Appendix 1 for details). These families are particularly hard hit with the present economic downturn with job losses, reduced hours of employment and in some cases, bankruptcy. In many cases, without the subsidies available through Children's Services, children would not be able to attend child care, resulting in families having to resort to social assistance.

Electronic Registration for Child Care

An internet web-based registration system that provides:

- Detailed information about all child care supports and services available; and
- Opportunity for applicants to register for programs and to schedule a financial eligibility determination interview with a caseworker (one stop access).

This opportunity extends the access points beyond the original telephone and e-mail to provide a completely electronic application and registration process which is currently being piloted throughout communities across Niagara. To date recorded implementation outcomes have been very well received. Child care support and service delivery agencies (multicultural centres, Niagara Region Public Health - Healthy Babies, Healthy Children, Ontario Works offices, child care service providers, YMCA of Niagara, Family and Children's Services of Niagara) and service applicants work in collaboration and partnership to complete electronic Children's Services access applications.

Co-location

Currently Children's Services Caseworkers are co-located in 17 sites throughout Niagara. This includes employment help centers, Ontario Early Years centers, Ontario Works offices and large child care service provider administrative offices within the geographic communities. They serve to:

- Improve and support client access opportunities.
- Reduce placement turnaround times.
- Provide information and as a referral resource for clients, service providers and referral agencies.
- Mitigate financial hardships experienced by clients unable to travel to eligibility determination meetings scheduled outside of their communities.

Initial feedback from surveys indicates the co-location process is working well.

Community Based Projects

In 2008 Children's Services fee subsidy staff participated in three community projects, two in affordable housing locations (Manchester and Old Pine trail) and the third in Stokes Community Centre. The intention of the projects was to leverage knowledge of community resident families, current service providers and ancillary partners to work towards better meeting the needs of individual communities. Children's Services staff shared administrative expertise and knowledge of the community from the perspective of network of providers of Early Years services and programs to facilitate and support the specific needs of the projects. For example, the provision of nutritious snacks was provided to two locations by regional child care centres and in some cases, fee subsidy staff were located on-site for specified periods of time to provide easy access to fee subsidy, ProKids and to provide general information.

Children's Services will continue to explore family strengthening opportunities which promote and support the ongoing success of families and children within their neighbourhoods with the knowledge that children do better when their families are strong, and families do better when they live in communities that help them to succeed.

Submitted by:

Approved by:

Brian Hutchings
Commissioner, Community Services

Mike Trojan
Chief Administrative Officer

This report was prepared by Janice Horner, Manager, Children's Services and reviewed by Kathryn O'Hagan-Todd, Director, Children's Services

Distribution of Subsidies: Family Profile by Category

Family Profile/Reason for Service Access	Families served	% of total caseload
Working Poor Families employed/attending school/ engaged in training program. Not in receipt of social assistance	1931	83.7%
Families in receipt of social assistance/ employed, attending school or participating in training programs.	183	7.9%
Families supported to maximize child development opportunities.	193	8.4%
Total	2307	100%
ProKids	3,561	100%

Family Profiles

