



## Committee of the Whole

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**Meeting Date:** March 28, 2023

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Services

**Subject:** Access and Inclusion Childcare Framework – Canada-Wide  
Early Learning and Child Care Agreement

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### **BACKGROUND:**

In March 2022, Ontario reached a \$13.2 billion agreement with the federal government on funding for, and the terms of, a Canada-Wide Early Learning and Child Care (hereafter referred to as "CWELCC") system. The new system was developed to lower child care costs and improve access, quality, and inclusion across Ontario's child care and early years sector.

The provincial goals of the CWELCC system are as follows:

1. Reduce fees for families by 25% beginning April 1, 2022, increasing to 50% as of January 1, 2023, and reaching a provincial average fee of \$10 per day by 2025-2026 for eligible licensed child care spaces;
2. Create 86,000 new high-quality, affordable licensed child care spaces, predominantly through not-for-profit licensed child care;
3. Address barriers to providing inclusive licensed child care; and
4. Valuing the early childhood workforce and providing them with training and development opportunities.

Following the introduction of the CWELCC system, the County of Middlesex's Social Services department began planning for implementation and operator enrollment. Operators were required to indicate their intention to enroll in the CWELCC system by November 1st, 2022, and by year's end every operator who had expressed their intention to enroll in the system had entered in an agreement with the County and had begun to receive funding to support parental fee reductions and support staff wages.

To address barriers to providing inclusive licensed child care the Provincial direction was received in late December of 2022, wherein the province mandated that the County along with the Consolidated Municipal Service Manager (CMSM) – City of London submit an Inclusion and Access Framework. This framework was intended to inform decisions

regarding childcare space expansion under CWELCC for children 0-6 years old, with an inclusion-focused lens – ensuring that populations who have traditionally been underserved have equitable access to childcare – in-line with Ontario’s vision for the CWELCC system. The County of Middlesex’s Social Services department worked closely with the City of London to develop this framework and guide its implementation.

## **ANALYSIS:**

### **Inclusion and Access Framework Establishment**

In January, 2023, the County worked with the City of London to develop a current-state population analysis using available data (such as 2021 Census data, historical Early Development Instrument (EDI) data, and current childcare capacities). The purpose of this population analysis was to evaluate which municipalities in the County could be considered “greatest need” of enhanced childcare supports through an inclusion and access lens, taking into consideration the following indicators:

- Proportion of the municipal population who...
  - Speak French most often at home
  - Have no knowledge of either official language
  - Are recent (2016-2021) immigrants
  - Identify as Indigenous
  - Fall under the Low-Income Measure - After Tax (LIM-AT) threshold
- Municipal EDI score as of the last official measurement
  - Provides a measure of the estimated proportion of children in Kindergarten who could be considered “vulnerable” developmentally on a number of domains
- Municipal Child care access rate
  - The number of licensed childcare spots for children aged 0-4 divided by the total number of children 0-4 living in the municipality

In January, the Province communicated expectations for the number of childcare spaces to be opened under the Inclusion and Access Framework, at the CMSM level. The expectation for Middlesex-London was listed as 2080 spaces for children aged 0-6, to be opened between 2022 and 2026. The County value, agreed upon between the City of London and the County’s Social Services Department, was set at 320 spaces out of the 2080. This is only an estimated working number, the number of actual spaces may increase.

## Estimated Expansion Targets in Middlesex and London

Area	School-based spaces	Community-based spaces	Total spaces
Central London	0	128	128
Northeast London	176	214	390
Northwest London	127	289	416
Southeast London	88	262	350
Southwest London	88	388	476
Middlesex County	103	217	320
<b>Total spaces</b>	<b>582</b>	<b>1498</b>	<b>2080</b>

### **Inclusion and Access Future Implementation**

Under the Inclusion and Access Framework, the City of London (as CMSM) has received delegated authority from the Ministry of Education to provide advice to operators on applications into the CWELCC system, in regards to Inclusion and Access Framework-related child care centre openings and expansions. The County of Middlesex, in turn, will provide a recommendation to the City of London, in regards to County childcare sites. The County of Middlesex and the City of London have worked closely to develop an operating procedure for processing and expediting these operator applications.

Of note:

- Priority in 2023 will be to operators who are ready-to-open.
- The population analysis described above will be revised in the second half of 2023 to reflect the new spaces. In subsequent years, increasing emphasis will be placed on expanding spaces in highest-need areas (as indicated by the population analysis described above).
- The Licensing Branch of the Ministry of Education will have the final say on the expansion or opening of new childcare spaces. The County will be responsible for evaluating the application, and the financial viability of the proposed site, and providing advice to operators, against the framework. This evaluation will then be submitted to the Ministry as part of the application.

The application process is as follows (note: where “County” is written, it refers to the Childcare staff members of the Social Services department. In every step of the following process, the County provides updates to the City of London, as the City reports to the Ministry on our behalf):

1. The applicant is interested in participating in the Inclusion and Access Plan and submits the application form to the County.

2. The County reviews the application form for alignment to the framework and eligibility, after which the County makes a decision regarding the viability of that application and provides that decision to the applicant in writing.
3. The County provides the City of London a recommendation to sign the New License Application Confirmation Form. The City of London would return the signed form to the County of Middlesex who in turn returns to the applicant, who then submits the form to the Licensing Branch. The applicant notifies the County once the plans are approved by the Ministry.
4. The applicant builds new spaces, and submits status update(s) to the County regarding key milestones. In early 2024 the applicant reports outcomes to the County.

The Access and Inclusion Framework will be incorporated into the Child Care and Early Years Service System Plan. The 2019-2023 Plan was set to be renewed this year, so the Access and Inclusion Framework will be incorporated into the 2024-2028 Service System Plan. See *Appendix "A"* for wording.

Funding for childcare space expansions, or the opening of new sites, through the Inclusion and Access Framework is funded entirely by the Provincial and Federal governments, as it is a subsection of the Canada Wide Early Learning and Child Care Agreement. The County will incur no costs in relation to the opening of, or providing funding to, new or expanded childcare sites. With the expansion of childcare spaces, a greater volume of funding will flow through the County to operators.

The Ministry of Education has indicated that the following funding will be available to operators who wish to expand under the Inclusion and Access Framework:

- Capital start-up grants: The Ministry of Education will be introducing capital start-up grants to support the creation of new licensed full day spaces. Capital start-up grants may be used for retrofits, renovations, or expansion projects, but cannot be used to purchase land or buildings. Operators can receive a grant covering \$90 per square foot of a new or expanded space with a cap of \$350,000 for every 50 child care spaces created.
- CWELCC funding for increased spaces: Through CWELCC participation, child care operators receive funding to offset lost revenue from reduced parent fees and, where eligible, will receive funding to support staff wages. The Ministry of Education will provide additional CWELCC funding to support eligible expanded spaces through this initiative.

These funding sources complement existing funding the County provides to licensed child care operators through federal, provincial, and municipal sources.

**FINANCIAL IMPLICATIONS:**

Additional CWELCC funding and capital start up funding to support the creation of spaces through this initiative will be 100% funded through the bi-lateral agreement between the Province of Ontario and Government of Canada. This funding has not yet been provided to the County of Middlesex but is anticipated to be provided following the approval of the provincial budget in spring 2023.

There are no anticipated impacts to the budget through this initiative.

**ALIGNMENT WITH STRATEGIC FOCUS:**

This report aligns with the following Strategic Focus, Goals, or Objectives:

<b>Strategic Focus</b>	<b>Goals</b>	<b>Objectives</b>
Cultivating Community Vitality	Advance a diverse, healthy, and engaged community across Middlesex County	<ul style="list-style-type: none"><li>• Promote and support community wellness</li><li>• Innovate social and community services</li><li>• Attract, retain, and engage youth in our community</li><li>• Champion and encourage active transportation and public transit opportunities</li></ul>
Strengthening Our Economy	Encourage a diverse and robust economic base throughout the county	<ul style="list-style-type: none"><li>• Support opportunities to create a stronger and sustainable agricultural sector</li><li>• Create an environment that enables the attraction and retention of businesses, talent, and investments</li><li>• Attract visitors to Middlesex County</li><li>• Support the development and prosperity of downtown core areas in Middlesex County</li></ul>

**RECOMMENDATION:**

THAT this report be received for information on Targeted Expansion of Licensed Child Care through the Canada-Wide Early Learning and Child Care Agreement; and;

THAT the Social Services staff be directed to append Appendix A of this report to the London-Middlesex Child Care and Early Years Service System Plan, 2019-2023.

## **Appendix A:**

### Overview

Contracted from the City of London as the Consolidated Municipal Service Manager (CMSM) for Child Care and Early Years in London and Middlesex, the County of Middlesex administers the CWELCC system under CMSM and Ministry direction. Beginning in 2023, the Ministry of Education has updated its licensing process, and the County will now provide advice to licence applicants on their eligibility for CWELCC funding, including alignment with the County's directed growth strategy as outlined in its service system plan. This strategy's intention is to support access and inclusion and guide expansion where need is greatest.

Advice provided by the County at this stage is based on information at the time and does not constitute a decision or promise made for CWELCC funding following the completion of the licensing process. See O. Reg. 137/15, s. 13(1) for more information.

The County of Middlesex's advice on CWELCC enrolment will be based on the factors in ss. 77.3(2) of Regulation 137/15:

- financial viability of the operator
- no concerns regarding misuse of funds
- alignment with the County and CMSM's directed growth plan, including:
  - need for child care at that location (based on overall demand and socio-demographic indicators, as outlined in data table below)
  - statement on access and inclusion approach for priority groups

The County will also give consideration for maintaining the ratio of non-profit to private spaces, extending the province-wide principle for expansion from the Ministry of Education.

### Financial viability of the operator

The County will follow established administrative practice developed through the initial implementation of CWELCC.

### No concerns regarding misuse of funds

The County will follow established administrative practice developed through initial implementation of CWELCC.

### Alignment with directed growth plan

As part of a broader access and inclusion plan, the directed growth strategy is geographically focused, intended to support expansion of child care where need is greatest based on socio-demographic indicators aligned with the Ministry of Education's draft Access and Inclusion framework.

The data provided below will support operators in planning for expansion and the County in reviewing CWELCC funding eligibility. The information below is aggregated at the regional level; the County will draw on more specific data points to work with operators on suitable locations when providing advice on CWELCC funding eligibility.

### Estimated Expansion Targets in Middlesex and London

Area	School-based spaces	Community-based spaces	Total spaces
Central London	0	128	128
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### Demographic Indicators and Aggregate Scores

The indicators and associated data sets identified below were selected to inform demand for targeted licensed child care growth, in alignment with the populations prioritized by the Ministry of Education. Each of the indicators is weighted equally in the calculations that determined prioritization of geography. As additional and more updated data becomes available, the modelling will be revised.

**City of London and Middlesex County Indicators and Scores**

Region	Indicator #1	Indicator #2	Indicator #3	Indicator #4	Indicator #5	Indicators #6-8
<b>Priority Ranking. (Region Name)</b>	<b>Proportion of demand to reach provincial target access ratio of 37% (per 2016 Census and Licensed Spaces)</b>	<b>Proportionate Presence of Indicator: Language Most Spoken at Home as French (per 2016 Census)</b>	<b>Proportionate Presence of Indicator: Indigenous Identity (per 2016 Census)</b>	<b>Proportionate Presence of Indicator: No knowledge of either English or French (per Census 2016)</b>	<b>Proportionate Presence of Indicator: Immigrated to Canada between 2006-2016 (per Census 2016)</b>	<b>Proportionate Presence of Indicator: Family Centre Priority Ranking* (incl. EDI % Vulnerability; Low Income Measure; 0-4 Population) (per EDI Report, 2016 Census)</b>
1. South West London	26.07	22.21	23.24	25.25	25.98	30.10
2. North West London	15.62	30.15	16.99	22.26	26.56	18.51
3. South East London	20.34	16.88	26.92	15.67	15.76	17.95
4. North East London	15.16	12.46	16.89	21.26	18.97	12.07
<b>5. Middlesex County</b>	<b>19.57</b>	<b>8.95</b>	<b>0.82</b>	<b>7.89</b>	<b>5.64</b>	<b>13.03</b>
6. Central London	3.25	9.35	15.15	7.69	7.11	8.34
Total	100	100	100	100	100	100



### Middlesex County Indicators and Scores by Municipality

Region	Indicator #1	Indicator #2	Indicator #3	Indicator #4	Indicator #5	Indicators #6-8
Priority Ranking. (Region Name)	Proportion of demand to reach provincial target access ratio of 37% (per 2021 Census and Licensed Spaces)	Proportionate Presence of Indicator: Language Most Spoken at Home as French (per 2021 Census)	Proportionate Presence of Indicator: Indigenous Identity (per 2021 Census)	Proportionate Presence of Indicator: No knowledge of either English or French (per Census 2021)	Proportionate Presence of Indicator: Immigrated to Canada between 2006-2016 (per Census 2021)	Proportionate Presence of Indicator: Family Centre Priority Ranking* (incl. EDI % Vulnerability; Low Income Measure; 0-4 Population) (per EDI Report, 2021 Census)
<b>Strathroy- Caradoc</b>	10.49	10.34	8.57	24.24	18.18	17.65
<b>Middlesex Centre</b>	5.75	20.69	17.14	18.18	20.00	11.76
<b>North Middlesex</b>	14.31	3.45	8.57	6.06	14.55	23.53
<b>Southwest Middlesex</b>	5.31	10.34	14.29	6.06	10.91	17.65
<b>Thames Centre</b>	16.12	20.69	5.71	21.21	9.09	8.82
<b>Village of Newbury</b>	20.67	20.69	22.86	15.15	0.00	2.94
<b>Adelaide Metcalfe</b>	20.67	10.34	20.00	6.06	12.73	2.94
<b>Lucan Biddulph</b>	6.67	3.45	2.86	3.03	14.55	14.71
<b>Total</b>	100	100	100	100	100	100