



2024 to 2027 Business Plan

Service: Children's Services

\$0.10

Cost per day for the average rate payer (2024 to 2027)

0.95%

Of the 2024 to 2027 City of London Net Property Tax Supported Budget

Who we are:

- The City of London is designated under the *Child Care and Early Years Act (2014)* as the Service System Manager (SSM) for Child Care and Early Years for the City of London and the County of Middlesex. The Child Care and Early Years team works collaboratively with operators to build a high-quality system of services for children and families that is: family-centred; aligned with provincial priorities of Affordability, Access, Quality, and Responsiveness; equitable and inclusive; and rooted in research, data, and the voice of the child.
- As SSM, the City of London is responsible for: administering provincial funding for Child Care and Early Years, including the Canada-Wide Early Learning and Child Care agreement; coordinating the delivery of mandated Child Care and Early Years services such as Child Care Fee Subsidy and Special Needs Resourcing; developing and

implementing local Child Care and Early Years plans; providing capacity building support to service providers; and supporting London’s eight EarlyON Child and Family Centres.

What we do:

- The City of London supports operators to deliver high-quality licensed child care and early learning opportunities to benefit London children and families, nurturing a healthy and thriving community. High-quality child care experiences provide early learning opportunities that enhance cognitive and social development in young children. Access to licensed child care enables caregivers to participate in the workforce or pursue education, supporting all caregivers – and women in particular, who disproportionately bear child care responsibilities – to contribute fully to society and the economy.
- The City’s role includes local policy development, funding allocations, program support, community engagement, data collection and reporting, and financial stewardship. The City works to create and maintain a robust, accessible, and high-quality child care system that benefits children, families, and the community while ensuring compliance with provincial regulations and standards.

Why we do it:

- **Mandatory** – The City of London is designated under the Child Care and Early Years Act (2014) as the Consolidated Municipal Service Manager for Child Care and Early Years programs and services for the City of London and County of Middlesex.

The following table provides an overview of the budget for this service:

Budget Summary (\$000's)	2024	2025	2026	2027	2024 to 2027 TOTAL
Gross Operating Expenditures	\$119,739	\$119,750	\$119,760	\$119,770	\$479,019
Other Revenues	-\$111,859	-\$111,859	-\$111,859	-\$111,859	-\$447,435
Net Tax Levy Supported Operating Budget	\$7,881	\$7,891	\$7,901	\$7,912	\$31,584
Total Capital Expenditures	\$0	\$0	\$0	\$0	\$0
Full-Time Equivalents (FTE's)	28	28	28	28	N/A

Reflects Draft 2024 to 2027 Multi-Year Budget – December 12, 2023

Linkage to the 2023 to 2027 Strategic Plan

This service supports the following Strategic Areas of Focus in the 2023 to 2027 Strategic Plan:



**Reconciliation, Equity,
Accessibility, and
Inclusion**



**Economic Growth, Culture,
and Prosperity**



**Housing and
Homelessness**



**Mobility and
Transportation**



Wellbeing and Safety



**Climate Action and
Sustainable Growth**



**Safe London for Women,
Girls, and Gender-Diverse
and Trans People**



Well-Run City

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this service:



Environmental:

- The Child Care and Early Years Service does not anticipate any changes or additional environmental impacts over the budget term of 2024-2027.

Socio-economic Equity:

- Children and families use licensed child care and early years services during a period of rapid brain development in young children. Licensed child care also plays a significant role in a family's ability to pursue employment or education, especially within single parent families, which are predominantly female-led. Research shows that the return on investment in quality early years programs can be up to \$13 for every \$1 invested.
- The Canada-Wide Early Learning and Child Care (CWELCC) system is intended to increase accessibility and affordability of licensed child care. SSMs are required to prioritize growth under the CWELCC system to increase access and inclusion for historically underserved communities. The Ministry of Education has identified the following priority populations in its Access and Inclusion framework: low-income, Francophone, Indigenous, Black, other racialized and newcomer communities, vulnerable children, and those with special needs. The City's directed growth strategy incorporates demographic and engagement data in the assessment of directed growth plans from child care operators seeking to expand under CWELCC.
- A 2022 report prepared by the Atkinson Centre cited that of those that work within early childhood education across Canada, 96% are female and 33% are immigrants or non-permanent residents, as compared to 25% of workers in all other occupations. The report also noted that compared to other female-dominated professions requiring comparable education and training, Early Childhood Educator salaries are amongst the lowest, far below the average Canadian salary (Canada's Children Need a Professional Early Childhood Workforce, April 2002). The City of London prioritizes workforce recruitment and retention through initiatives including: increasing operating grants to

licensed child care operators; supporting operators to optimize the use of CWELCC funding to support workforce; coordinating professional development opportunities; labour market research; and promoting the value of the profession.

Governance:

- The City of London is designated under the *Child Care and Early Years Act (2014)* as the Consolidated Municipal Service Manager (or SSM) for Child Care and Early Years programs and services for the City of London and County of Middlesex. Accordingly, this is a provincially established role, and the requirements of the role are legislated within the *CCEY Act (2014)* and the associated regulations.
- Provincial expectations for SSMs can change throughout the year based on changes to legislation, regulations, funding guidelines or other emergent policies and practices. Additionally, changes to funding allocation parameters and amounts can change year to year. Primary risks associated with current or upcoming funding include the following:
 - 2024 Funding Formula Change: The Ministry of Education has communicated that the funding formula will be revised in 2024. Details regarding the implications of the new funding formula are not yet released.
 - Early Learning and Child Care (ELCC) Agreement Funding: This funding is provided through a bilateral Federal and Provincial Funding Agreement. Funding comes with specific parameters regarding use and has been committed to 2025.
 - Canada-Wide Early Learning and Child Care (CWELCC) Agreement Funding: This funding is provided through a bilateral Federal and Provincial Funding Agreement. Funding comes with specific parameters regarding use and has been committed to 2026.
- In addition to federal and provincial funding, the City of London provides a municipal contribution towards the annual budget based on required or recommended cost-share contributions established by the Ministry of Education. These contributions play a crucial role in supporting the current and future growth needed to support demand for child care in London.

Service Highlights 2024 to 2027

The Child Care and Early Years Act, 2014 requires SSMs to establish a Service System Plan, which outlines the vision, goals, and strategies for delivering child care and early years services within the community. The City of London is currently updating the London-Middlesex Child Care and Early Years Service System Plan for 2024-2028. Following

consultation with families, service providers, community partners, and educators, efforts will focus on the following strategies over the next four years:

- Increased Access to Services
 - The CCEY team will work with operators to deliver on directed growth strategies in child care that provide more spaces in priority neighbourhoods and more parent choice in accessing the care that best meets their needs. Parents will be able to easily find and register for child care through accessible information, streamlined registration processes, and enhanced communication from organizations in the child care and early years sector. Beyond the affordability measures under the CWELCC system, the City of London remains committed to delivering fee subsidy to eligible families so they can access high quality licensed child care.
- Inclusion
 - The City of London will strategically allocate resources and support professional development opportunities that create more welcoming, inclusive spaces for all children, families, and staff working in child care and early years spaces. Families will be supported to actively participate in decision-making on the child care and early years experiences their children receive. The City of London will continue to invest in Special Needs Resourcing to help operators provide the necessary accommodations and resources to ensure full inclusion and participation of children and their families.
- Quality
 - As the size of the child care and early years system grows, the City of London is committed to supporting ongoing quality of services. The City of London will support: pedagogical professional development for ECE's and administrative professional development for sector leaders; high quality resources and materials for learning spaces; mentorship and support strategies for new ECE's and emerging leaders; and recognition and appreciation for the workforce.
- Accountability
 - As SSM, the City of London will continue to engage with operators and families to ensure responsiveness to evolving community needs over time. Policies, procedures, and decision-making processes will be communicated clearly to operators, and operators will be invited, as sector leaders, to collaborate in the design of the evolving local child care and early years system to optimize its positive impacts for London families. The City of London will continue to build out its data, reporting, and vendor management processes to ensure decision-making and stewardship of public resources is robust and evidence driven.

Risks and Challenges Anticipated in 2024 to 2027

- Potential funding changes, as described above in Governance.

- Persistent challenges with operators' ability to recruit and retain workforce, with potential impacts on quality and the system's capacity to expand the number of licensed child care spaces; this is particularly important as the City of London seeks to incentivize non-profit expansion, given the provincial requirement to maintain the ratio of non-profit to for-profit spaces through CWELCC expansion.
- Fee subsidy caseload has not recovered to pre-COVID levels; while this trend is consistent with other jurisdictions, there may be funding implications at a future date.

Other reference information and links:

- [London-Middlesex Child Care and Early Years Service System Plan](#)
- García, Jorge Luis, & Heckman, James J. & Ermini Leaf, Duncan & Prados, María José (2020). *Quantifying the Life-Cycle Benefits of an Influential Early-Childhood Program*. Journal of Political Economy, 128 (7) .
<https://www.journals.uchicago.edu/doi/abs/10.1086/705718?af=R&mobileUi=0&>.
- Atkinson Centre. (2023, April). *Canada's Children Need a Professional Early Childhood Workforce*.
<https://ecereport.ca/media/uploads/wr-downloads/canadas-children-need-a-professional-early-childhood-education-workforce.pdf>.

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