



	REPORT No.: 2020-39
MEETING DATE: SEPTEMBER 17, 2020	DATE PREPARED: AUGUST 27, 2020
SUBJECT: MAXIMUM DAILY RATES FOR CHILD CARE FEE SUBSIDY	

RECOMMENDATION

THAT with respect to Report No. 2020-39 (Integrated Social Services Division) we, The District of Thunder Bay Social Services Administration Board, approve maintaining the maximum child care fee subsidy rates for 2021 at the 2020 rates.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with information and rationale for maintaining the maximum child care fee subsidy rates at the 2020 level, for the 2021 budget year.

BACKGROUND

Fee subsidy is an income tested financial assistance program provided toward the cost of child care for parents, or legal guardians of children between birth and 12 years of age.

TBDSSAB calculates the amount an eligible parent or legal guardian can pay for licensed child care. This amount is paid by the parent or legal guardian directly to the child care operator. The difference between the actual daily rate charged by the child care operator and the amount the parent or legal guardian can pay is provided directly to the child care operator by TBDSSAB.

Child care operators determine their per diem child care rates based on their own internal business model; however, TBDSSAB sets maximum per diem rates upon which it will provide fee subsidy.

Each year, through the budget process, TBDSSAB establishes maximum per diem child care rates for fee subsidy for each child care grouping, upon which maximum fee subsidy will be provided. As a process improvement, Administration will now seek Board approval for any changes in rates in September, in part to provide guidance to child care operators during their annual budget processes. In the case where no increase is recommended, Administration will seek Board approval to maintain the rates as status quo.

COMMENTS

Through 2020, due to the COVID-19 pandemic, there have been several funding models established for child care operators. These models considered the closure period, reduced capacities and the re-opening of child care. Administration has provided child care operators with ongoing funding during this year, to ensure the sustainability of the sector.

The sector has undergone many changes in the 2020 year and as a result, Administration is recommending that the maximum daily rates for child care remain status quo for 2021.

The following chart outlines the 2020 rates.

TBDSSAB Maximum Child Care Per Diem Rates

Program	2020 Rates
Infant	\$71
Toddler	\$53
Pre-School	\$47
Kindergarten	\$40
School Age	\$36

Should the funding environment change during 2021, Administration will present a report with further recommendations to address the current situation.

FINANCIAL IMPLICATIONS



Based on the recommendation from Administration, there is no current financial impact from this report.

CONCLUSION

It is concluded that the Board approve maintaining the maximum child care per diem rates at the 2020 level, with no increase for 2021.

REFERENCE MATERIALS ATTACHED

None

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