



	<b>REPORT No.: 2021-37</b>
<b>MEETING DATE: SEPTEMBER 16, 2021</b>	<b>DATE PREPARED: AUGUST 10, 2021</b>
<b>SUBJECT: MAXIMUM DAILY RATES FOR CHILD CARE FEE SUBSIDY</b>	

**RECOMMENDATION**

THAT with respect to Report No. 2021-37 (Integrated Social Services Division) we, The District of Thunder Bay Social Services Administration Board, approve the increase in the maximum child care rates for fee subsidy recipients effective January 1, 2022 as presented.

**REPORT SUMMARY**

To request approval of an increase to the maximum per diem rates that The District of Thunder Bay Social Services Administration Board (TBDSSAB) pays for child care fee subsidy.

**BACKGROUND**

Fee subsidy is income tested financial assistance 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 child care. This amount is paid by the parent or legal guardian directly to the licensed 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. Administration will seek Board approval for any changes in rates in September to provide guidance to child care operators during their annual budget processes.

**COMMENTS**

TBDSSAB is developing a long-term Child Care and Early Years’ Service System Plan which will guide future decision making and assist Administration in exploring opportunities to examine the overall child care system. Where applicable, this will identify efficiencies and areas of improvement. Increasing child care fee subsidy per diem rates ensures that the demands on the operational costs for child care programs are being appropriately funded.

Within the child care system there are 11 child care centres with per diem rates that are currently at or higher than the TBDSSAB maximum per diem rates for all, or some, of the child groups.

The following chart outlines the 2021 rates and the proposed 2022 rates. Administration is proposing that the Infant, Toddler, Pre-School, Kindergarten and School Age rates be increased using the prior year (2021) Ontario Consumer Price Index of 3.6%, rounded to the nearest full dollar. The Consumer Price Index has been used in prior years to guide the increase in maximum child care per diem rates. This results in a proposed \$1 to \$3 increase for 2022.

**TBDSSAB Maximum Child Care Per Diem Rates**

	2021 Rates	2022 Rates	Increase
Infant	\$71	\$74	3.6%
Toddler	\$53	\$55	3.6%
Pre-School	\$47	\$49	3.6%
Kindergarten	\$40	\$41	3.6%
School Age	\$36	\$37	3.6%

**FINANCIAL IMPLICATIONS**

There are several variables to consider when developing the financial implications and fee subsidy budget including:

- ages of children
- parent/guardian income
- attendance of eligible children at each centre, and
- the rates charged at each centre.

Given these variables, Administration estimates the financial impact of increasing the maximum per diem rates noted above will result in approximately \$65,810 more fee subsidy being provided to child care operators on behalf of eligible families.



If approved, this amount will be included in the 2022 operating budget to be submitted to the Board at the November Board meeting.

**CONCLUSION**

It is concluded that the proposed maximum child care per diem rate increase support the sustainability of the child care system based on the consistent use of the Consumer Price Index and should be approved as presented.

**REFERENCE MATERIALS ATTACHED**

Attachment #1 [Proposed Maximum Child Care Per Diem Rates](#)

<b>PREPARED BY:</b>	Louise Piercey, Manager, Child Care and Early Years Program Michelle Wojciechowski, Manager, Intake & Eligibility The District of Thunder Bay Social Services Administration Board
<b>APPROVED / SIGNATURE:</b>	 Ken Ranta, Director, Integrated Social Services Division The District of Thunder Bay Social Services Administration Board
<b>SUBMITTED / SIGNATURE:</b>	 William (Bill) Bradica, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board

**CHILD CARE MAXIMUM and CENTRE SPECIFIC CARE CODE RATES 2022**



CENTRE	Proposed 2022 Rates								
	Extended	Full	3/4	1/2	1/2 w Lunch	Before	After	B & A	Lunch
9+ hrs	6+ hrs	4-6 hrs	< 4hrs						

**Age Group**

<b>INFANT CARE CODES</b>	<b>INX</b>	<b>INF</b>	<b>I3/4</b>	<b>INH</b>	<b>IHL</b>	<b>INO*</b>				Total Increase
<i>3.6% Increase</i>	\$ 79.00	\$ 74.00	\$ 52.00	\$ 41.00	\$ 50.00	\$ 68.00				\$ 13.00
Current DSSAB Approved	\$ 76.00	\$ 71.00	\$ 50.00	\$ 40.00	\$ 48.00	\$ 66.00				
<b>TODDLER CARE CODES</b>	<b>TDX</b>	<b>TDF</b>	<b>T3/4</b>	<b>TDH</b>	<b>THL</b>	<b>TDO*</b>				
<i>3.6% Increase</i>	\$ 61.00	\$ 55.00	\$ 48.00	\$ 35.00	\$ 44.00	\$ 66.00				\$ 11.00
Current DSSAB Approved	\$ 59.00	\$ 53.00	\$ 46.00	\$ 34.00	\$ 42.00	\$ 64.00				
<b>PRESCHOOL CARE CODES</b>	<b>PSX</b>	<b>PSF</b>	<b>P3/4</b>	<b>PSH</b>	<b>PHL</b>	<b>PSO*</b>	<b>KNO *</b>	<b>SAO*</b>		
<i>3.6% Increase</i>	\$ 54.00	\$ 49.00	\$ 44.00	\$ 31.00	\$ 38.00	\$ 61.00	\$ 61.00	\$ 61.00		\$ 14.00
Current DSSAB Approved	\$ 52.00	\$ 47.00	\$ 42.00	\$ 30.00	\$ 37.00	\$ 59.00	\$ 59.00	\$ 59.00		
<b>KINDERGARTEN CARE CODES</b>	<b>KNX</b>	<b>KNF</b>	<b>K3/4</b>	<b>KNH</b>	<b>KHL</b>	<b>KNB</b>	<b>KNA</b>	<b>KBA</b>	<b>LUN</b>	
<i>3.6% Increase</i>	\$ 47.00	\$ 41.00	\$ 37.00	\$ 28.00	\$ 33.00	\$ 14.00	\$ 14.00	\$ 28.00	\$ 10.00	\$ 10.00
Current DSSAB Approved	\$45.00	\$40.00	\$36.00	\$27.00	\$32.00	\$13.00	\$13.00	\$26.00	\$10.00	
<b>SCHOOLAGE CARE CODES</b>	<b>SAX</b>	<b>SAF</b>	<b>S3/4</b>	<b>SAH</b>	<b>SHL</b>	<b>SAB</b>	<b>SAA</b>	<b>SBA</b>	<b>LUN</b>	
<i>3.6% Increase</i>	\$ 42.00	\$ 37.00	\$ 34.00	\$ 25.00	\$ 28.00	\$ 14.00	\$ 14.00	\$ 28.00	\$ 10.00	\$ 9.00
Current DSSAB Approved	\$41.00	\$36.00	\$33.00	\$24.00	\$27.00	\$13.00	\$13.00	\$26.00	\$10.00	

<b>Signature</b>	
Jan <input type="checkbox"/> or Sept <input type="checkbox"/> 2022	
Check month of EFFECTIVE DATE of increase If increase is for a different month, note in comments	Submission Date

Comments: Total Increase \$ 57.00

\* Overnight codes applicable to Private Home only