



**CITY OF KINGSTON**  
**INFORMATION REPORT TO COUNCIL**

**Report No.: 12-367**

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**TO:** Mayor and Members of Council  
**FROM:** Lanie Hurdle, Commissioner, Community Services  
**RESOURCE STAFF:** Adèle Lafrance, Director, Community and Family Services  
**DATE OF MEETING:** November 6, 2012  
**SUBJECT:** Cessation of the Childcare Fee Subsidy Waitlist

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**EXECUTIVE SUMMARY:**

As Council is aware, a Fee Subsidy Waitlist had been in effect since November of 2011 due to increase demand and utilization of Fee Subsidy funding, provided to the City as both cost shared and 100% provincial program funding.

During the summer of 2012, the number of families receiving fee subsidies decreased for a number of reasons, including the ongoing implementation of full day kindergarten. In response to this reduced subsidy utilization, Childcare Programs increased fee subsidy offering to families on the waitlist.

As of October 4, 2012, all families on the fee subsidy waitlist that required child care either now or in the immediate future had been contacted and offered a fee subsidy appointment. As available funding continued to be forecasted after the waitlist had been exhausted, Childcare Programs was able to cease the waitlist and move to offer fee subsidies openly.

The decommissioning of the waitlist are as prescribed in the current fee subsidy waitlist policy, as approved by Council (Meeting No. 2012-18 of July 17-19<sup>th</sup>, 2012): "The City's waitlist for fee subsidies will be decommissioned when a projected surplus in available funding is identified and all applicants requiring fee subsidy assistance immediately or in the near future have been served."

A new waitlist will only be invoked if and when the demand for fee subsidies is again greater than available funding.

**RECOMMENDATION:**

This report is for information purposes only.

**AUTHORIZING SIGNATURES:**

ORIGINAL SIGNED BY COMMISSIONER Lanie Hurdle, Commissioner, Community Services
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER Gerard Hunt, Chief Administrative Officer

**CONSULTATION WITH THE FOLLOWING COMMISSIONERS:**

Cynthia Beach, <i>Sustainability &amp; Growth</i>	N/A
Denis Leger, <i>Transportation, Properties &amp; Emergency Services</i>	N/A
Jim Keech, <i>President and CEO, Utilities Kingston</i>	N/A

***(N/R indicates consultation not required)***

**OPTIONS/DISCUSSION:**

On January 1, 2007, the province implemented a new subsidy application process for parents applying for childcare fee subsidies. The Income Test replaced the Needs Test application and the new model provided common eligibility criteria across the province and is a less intrusive process for families. The impact for Kingston – Frontenac was the rise in the number of families that were eligible for childcare subsidies.

Included in the change to an income test application, the province required all Service Managers to develop a Waitlist Policy that used a first come/first served approach. A Council approved Policy was to be submitted to the province in 2008. Since invoking the Waitlist Policy in November 2011, a number of clarifications and adjustments were identified and were recommended to City Council in July 2012. This recommendation was an update to the 2011 – 2014 Childcare Management Strategies for Kingston – Frontenac Report approved by Council on July 17, 2012.

A Fee Subsidy Waitlist was invoked in November of 2011 as projected fee subsidies exceeded available funding for 2011. This Waitlist carried over into 2012 as early year expenditures continued to exceed available funding. In the second quarter of 2012, a controlled offering of subsidies to families on the Waitlist was provided based on close monitoring of funding availability. During the summer of 2012, the number of families receiving fee subsidies started to decrease for various reasons including the implementation of full day kindergarten. In response to the decreased expenditures, subsidy offering was increased.

As of October 4, 2012, Childcare Programs had contacted all families on the fee subsidy waitlist that required child care either now or in the immediate future to offer them a fee subsidy appointment. Fee subsidy availability continued to be forecasted after this waitlist call out had been exhausted. Childcare Programs issued a letter to the remaining 211 registrants on the waitlist, the majority of whom had previously declined an appointment on at least one occasion, advising them of the availability of fee subsidy, the cessation of the waitlist and information on the process for scheduling a fee subsidy application appointment. The waitlist was then decommissioned and childcare service providers advised that fee subsidy appointments would be scheduled openly.

The above process was in accordance with the current approved fee subsidy waitlist policy states the following: “The City’s waitlist for fee subsidies will be decommissioned when a projected surplus in available funding is identified and all applicants requiring fee subsidy assistance immediately or in the near future have been served.” A new waitlist will only be invoked if and when the demand for fee subsidies is greater than available funding.

As Childcare Programs could not predict the duration of the City’s fee subsidy waitlist, families requiring both immediate care and future care were included on the waitlist. One of the challenges experienced while administering the waitlist during 2012 is that many registrants decline the offer for a fee subsidy appointment but asked to remain on the waitlist. Reasons for remaining on the waitlist included the following: parent(s) not working or attending school at time

of offer, immediate child care was not required, or income taxes were not yet filed (provincial requirement).

As the waitlist is not intended to be a subsidy reservation system, but rather a means of fairly allocating subsidies when demand exceeds available funding, it is not appropriate to maintain a waitlist when subsidies are readily available. Moreover, maintenance of a fee subsidy waitlist for future care when subsidies are currently available is contrary to serving families on a first come, first served basis and meeting the current demands on the community. Finally it must be recognized that there is a significant administrative burden to keeping a waitlist along with significant confidential information management responsibility but no benefit to eligible applicants when subsidies are readily available.

**Waitlist data – November 2011 – October 2012**

During the first two quarters of 2012, there was a modest decrease in the number of children assisted with fee subsidies for childcare. At the end of June, a significant decrease was experienced as 292 children exited the system at approximately the same time the province announced additional funding for fee subsidies was available for the City of Kingston and the County of Frontenac.

Although the City was aware that additional provincial dollars was forthcoming, the timing of the announcement and the allocated amounts was unknown. On July 10, 2012, the City was notified of the additional funding allocations. Starting mid-July, Childcare Programs started at the top of the waitlist and attempted to contact applicants that required care now or in the near future. By September, it was identified that there was enough funding available in 2012 to continue moving down the list until the end was reached. The following chart below shows the timeframes & number of fee subsidies that were offered in 2012.

<b>Number of fee subsidies offered</b>	<b>Communicated to Childcare Operators</b>	<b>Subsidy Effective Date</b>
10	December 15, 2011	January 2, 2012
5	February 14, 2012	March 1, 2012
12	May 18, 2012	July 1, 2012
6	June 20, 2012	September 3, 2012
4	June 21, 2012	September 3, 2012
20	July 20, 2012	September 3, 2012
195	July 23, 2012	September 3, 2012
5	July 23, 2012	September 3, 2012
25	August 29, 2012	September 3, 2012
5	September 20, 2012	As required
Balance of waitlist	October 4, 2012	As required

November 6, 2012

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During the timeframe of the administration of the 2011/12 fee subsidy waitlist, over 600 families were contacted to offer a fee subsidy. Of these families, approximately 40% were approved for subsidy, 13% were in the process of applying as of October 2012, 12% discontinued and 35% declined. Reasons for declining subsidy included: requesting subsidy for 2013, waiting for required documentation, waiting for birth of child, not living in the area, or not employed or attending school at the time of contact.

**EXISTING POLICY/BY LAW:**

2012 Fee Subsidy Waitlist Policy

**NOTICE PROVISIONS:**

N/A

**ACCESSIBILITY CONSIDERATIONS:**

N/A

**FINANCIAL CONSIDERATIONS:**

As of September 30, 2012 a surplus of over \$580K is anticipated for childcare fee subsidies for 2012. If this funding is not used to serve additional families for fee subsidies during 2012, it will be used for wage subsidy per provincial guidelines and in accordance with the current Council approved Childcare Service Management Strategies for Kingston & Frontenac.

**CONTACTS:**

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**OTHER CITY OF KINGSTON STAFF CONSULTED:**

Laura Austin, Supervisor, Childcare Programs, Community and Family Services  
Katie Clarke, Manager of Program Delivery, Community and Family Services

**EXHIBITS ATTACHED:**

N/A