

## For Information Only

### Best Start Funding Update

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### Recommendation

This report is for information only.

### Finance Implications

There is no impact to the operating budget as the Best Start program is funded 100% by the Province. As discussed in the report, the funding reduction will impact on Children Services' capacity to fund enhanced early learning programming and program development.

### Background

On February 25, 2009, a report entitled "Best Start Funding" was presented to Council that described the potential impact to the City and to the community, of a reduction, or discontinuation of Best Start funding. From 2005 to December 2008, the City of Greater Sudbury received approximately \$23.5 m in 100% dollars in Best Start Funding from Ministry of Children and Youth Services (MCYS), with a projected 2009 budget of approximately \$9.4 m. The Best Start funding is provided in addition to Children Services' base budget of approximately \$11 m (which is funded at 80/20). At that time there had been no formal commitment of further Best Start funding beyond March 2010.

Over the first 4 years, Best Start funding made it possible for Greater Sudbury to invest significantly in the expansion and strengthening of early years services in Greater Sudbury and to take a strong leadership role in the planning and integration of all children's services through the Best Start Network.

## Children Services Budget

The Children Services budget is made up of two parts. The "regular" budget, funded at 80/20, supports the

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following services: child care subsidy assessment and payments, wage subsidy for child care sector employees, special needs child care integration, funding for family resource centres (now called Best Start Hubs) and overall planning and management of the licensed child care and early years system. The "Best Start" budget, funded at 100% by the Ministry of Children and Youth Services (MCYS), is intended to allow the City to expand the delivery of these core services to more families and more child care centres and Best Start Hubs. In Greater Sudbury, Best Start funding has also been used for one-time projects including minor capital for new child care and Best Start centres, program development and special training initiatives and pilot projects.

## **Funding Update**

In September 2009, MCYS released the Best Start funding allocation for Greater Sudbury for 2010. The new annual allocation starting January 2010 will be \$2,365,614 less than the 2009 allocation of \$9.4 m. However, in 2010, Ministry bridge funding will lessen the impact of this reduction with a one-time allocation of \$1,261,971.

Children Services' regular budget of close to \$11m, funded at 80/20, has not been impacted.

Starting in 2011, the total Children Services annual budget, which includes both the regular and the Best Start allocations, will be reduced from just over \$20 m., to approximately \$18 m.

## **Impact of funding reduction**

Based on an analysis of past and current spending and service demand, Children Services staff predict that they will be able to maintain the current child care spaces created under Best Start and continue to provide core programs and services, including child care subsidy and wage subsidy, special needs integration, family resource funding which supports Best Start Hubs and management of the child care and early years system. Children Services will also be able to maintain its leadership role in the Children Services sector, by providing ongoing staff support for the Best Start Network.

However, funding to further expand child care and other programs and support special projects, which has been provided using Best Start dollars over the past 5 years will no longer be available. Child care subsidy policies will be reviewed and may be revised to maximize the existing funding. The child care subsidy budget will be closely monitored and a prioritized waiting list policy for child care subsidy will be developed in case demand for subsidy exceeds the available funding.

## **Future funding issues**

The release of Charles Pascal's Early Learning Report which recommended a full re-organization of the funding, governance and delivery of early learning services and which has been endorsed by the Government of Ontario is expected to have a significant impact on the way that Municipalities deliver early years services and the funding provided to do this. No information has been released at this time about plans or timelines for the implementation of these recommendations. Children Services will keep Council informed of any developments and how they may impact on the delivery of early learning and child care services in Greater Sudbury.