

# **Canada-wide early learning and child care (CWELCC) program**

## **Peel Region**

### **CWELCC expansion plan and application process**

**Early Years and Child Care Services**

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## Overview

The [Canada-wide Early Learning and Child Care \(CWELCC\) program](#) aims to make child care more affordable and improve workforce compensation so families have access to high-quality licensed child care.

The CWELCC program:

- Reduces child care fees for families with children younger than 6 years of age, with the goal to reduce fees to an average of \$10-a-day by 2026.
- Increases wages of Registered Early Childhood Educators to help support recruitment and retention of the workforce.
- Increases access to child care spaces by creating new spaces in priority areas.

This document is for child care providers who are planning to open new child care spaces in Peel. It provides information on how to apply and the approval process to participate in CWELCC. Child care providers approved to participate in Peel's CWELCC program will receive more details on how to use funding through the [CWELCC Funding Guidelines](#).

## Expansion in Peel

As CWELCC continues to make child care more affordable for families, we expect the demand for child care to increase. Through the CWELCC expansion plan, Peel Region is increasing access to licensed child care for families in our community.

In line with the Ministry of Education (EDU)'s *Access and Inclusion Framework*, our CWELCC expansion plan:

- is a focused and phased approach.

- focuses on creating new child care spaces in **identified priority communities**<sup>1</sup> in Peel.
- prioritizes increasing access to child care for diverse and underrepresented populations including low-income families, children from diverse communities, children with special needs, and Francophone and Indigenous children.

Refer to the [EYCC Mapping Tool](#) of the priority communities in Peel on our [website](#).

## Child care expansion targets in Peel

Our goal is to create 11,980 new child care spaces in Peel by 2026 to meet our EDU-directed expansion objective (1,145 school-based and 10,835 community-based).

EDU has directed Peel Region to maintain its current child care system for children younger than 6 years of age. This means that 60% of the spaces must be non-profit spaces and the remaining 40% can be commercial spaces. As part of Peel Region's CWELCC expansion plan, we must create at least 7,170 non-profit spaces. Our commercial centre-based child care providers can operate the remaining 4,810 spaces.

## Focus on non-profit centre-based expansion

We reached our commercial space goal in Peel, so we have paused CWELCC Expansion Applications from commercial centre-based child care providers. We are focusing our non-profit expansion efforts on non-profit centre-based providers. We

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<sup>1</sup> We identified Peel's priority communities using child care demand data and additional well-being indicators included in Peel's [Neighbourhood Information Tool](#). The priority communities were accepted by [Regional Council on March 9, 2023](#). As part of Peel's eligibility criteria, we will consider programs that serve areas within a 2km radius of priority communities.

will shift our priorities based on auspice goals and community need. Peel will update the child care sector as priorities change.

At this time, we have also paused all licensed home child care (LHCC) expansion in Peel. Current system data shows that there is room to enroll more children in the licensed home child care system. We will continue to monitor our LHCC system data. If enrolment increases, we will reassess the decision to pause and communicate any changes to the sector.

## Age grouping

At this time, Peel Region will only approve expansion of spaces for infant, toddler, and preschool age groups. We will monitor the service demand and existing capacity for kindergarten spaces and revisit age prioritization, if needed.

## CWELCC expansion application process

If you are planning to create new licensed child care spaces in Peel for infant, toddler, and preschool age groups, and are interested in applying to Peel's CWELCC program, you will need to complete Peel's [CWELCC Expansion Application](#).

If you are interested in applying, please follow these steps.

### Step 1: Do your research

We encourage you to:

- **Develop a business plan and prepare a projected cash flow statement:** It is important that you understand what child care programs are offered in the community you are planning to open in. You should make sure your site will be able to enroll children and be financially viable based on anticipated revenue, expenses and projected enrollment. As part of your anticipated revenue, you should consider that if you are approved in CWELCC, Peel Region will not

approve child care base fees higher than the maximum caps on fees set out in the [Child Care and Early Years Act regulations](#) by EDU (that is \$22 per day or less, as of January 1, 2025).

- **Use the [Peel EYCC Mapping Tool](#):** This map will help you determine if your proposed project is located in a priority community with remaining space. We will consider programs that serve areas within a 2km radius of priority communities, but we will prioritize approving projects that are located within an available priority community.
  - From the legend on the left-hand side, click on “CWELCC Expansion.”
  - Hover over the priority communities to see which communities have achieved their space goals (and expansion is paused) and which communities have spaces available (focus for expansion).
  - We will update this tool regularly so you will know where there is a need for child care spaces.
- **Consult your local municipal Planning and Development Services:**

Understand the relevant by-laws, zoning, permit requirements, and municipal site plan restrictions for your planned expansion.

  - [Planning and building online services - City of Mississauga](#)
  - [City of Brampton | Planning & Development | Planning & Development](#)
  - [Building Permits - Town of Caledon](#)

We recommend that your site receives CWELCC expansion approval from Peel before you proceed with municipal zoning or site plan approval or enter into a lease agreement. Peel Region is not responsible for financial costs that applicants incur prior to CWELCC expansion approval, and applicants who choose to incur these costs do so at their own risk. Before you sign your lease agreement, we recommend that it has a “termination clause” which gives you the right to end the agreement without breaching your contract. You may be

able to receive a letter from the landlord or property owner to secure your location without signing a lease agreement.

Note: Refer to the EYCC [Service Provider Handbook](#) to learn about the requirements to apply to, and participate in, CWELCC resulting from the sale, transfer, or acquisition of a child care business.

- **Review EDU's resources before applying for a licence:**
  - [Apply for or renew a child care licence](#)
  - [Child Care and Early Years Act, 2014 \(CCEYA\) and Ontario Regulation 137/15](#)
  - [Child care centre licensing manual](#)
  - [Home child care licensing manual](#)
  - [Before and after school program licensing guideline](#)
  - [EDU Child Care Centre Planning and Design Guidelines](#)

If you have child care licensing questions:

- New child care providers – email EDU at [childcare\\_ontario@ontario.ca](mailto:childcare_ontario@ontario.ca) or call the central inquiry line at 416-325-2929.
- Child care providers currently operating – contact your EDU Program Advisor for more information on licensing.

### **Need more information or have questions?**

To support your understanding of Peel's CWELCC expansion plan and application process, please review our [website](#) for information and supporting resources. You may also email us at [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca) if you need more information on CWELCC Expansion in Peel.

## **Step 2: Determine if you are eligible**

You can apply for Peel's CWELCC expansion program if:

- You are a registered non-profit child care centre.
- Your expansion project will be licensed and operational by December 31, 2026.
- You are:
  - Participating in Peel's CWELCC program and you're planning to increase spaces in an existing site through a licence revision.
  - Participating in Peel's CWELCC program and you're planning to open a new child care site in Peel.
  - Not currently operating in Peel and you would like to open a new child care site in Peel.

Note: Centre-based providers must be registered as a non-profit child care provider before applying to Peel's CWELCC expansion program. You must maintain your non-profit status throughout the term of your CWELCC agreement.

You do not need to apply to the CWELCC program through Peel's expansion application process if you are located in a publicly-funded school that has been approved by EDU for a child care capital project.

### **Step 3: Learn how applications will be assessed and approved**

We will review all applications based on availability of funding and spaces, and if they meet the criteria listed in this section.

We will review all applications for non-profit child care centres against the following provincial requirements. You must:

- Be actively pursuing a licence or licence revision to operate a child care program under Ontario's Child Care Licensing System (CCLS), or
- Have a licence under CCLS in good standing already approved by EDU at the time of submitting the application, and
- Demonstrate financial viability.



## Registered non-profit child care centres

We will review CWELCC Expansion Applications against Peel Region's specific criteria based on the Service Delivery Area<sup>2</sup> for your proposed project.

The two main criteria are that the new spaces:

- Are located in one of Peel's **identified priority communities** or within a 2km radius of a priority community; and
- Meet the **demand for child care** programs in that community. Programs must serve infant, toddler, and/or preschool age groups.
  - Refer to the [Peel EYCC Mapping Tool](#) to support you with determining where your proposed project is in relation to our identified priority communities.
  - Refer to Peel's Neighbourhood Information Tool to support you with understanding how Peel's priority communities were identified using child care demand data and additional well-being indicators included in Peel's Neighbourhood Information Tool.

Additional criteria based on Peel's [service system plan priorities](#) include:

- How the **base wages** you pay to Registered Early Childhood Educators (RECEs) or Director-approved staff (that fill the position of a RECE) align with the [2024 GTA living wage of \\$26 per hour](#).
- If the new spaces are **co-located**. Examples: New child care spaces are in a faith-based building, community centre, affordable housing building, etc.

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<sup>2</sup> Service Delivery Area (SDA) are geographies to support service planning and delivery at a local level. They provide data relevant to the local geographies for delivering local services to the public, such as child care and early years services.

- If the new spaces **improve access** to child care. Examples: Offering evening care, extended hours of care above 11 hours, weekend care or flexible care options for families.
- If the new spaces **improve inclusion** for underrepresented groups. Examples: Child care programs that focus on serving diverse populations such as Indigenous, Francophone, Black, other racialized groups, newcomers, and low-income families.

Note: Preference may be given to child care programs located in municipal or regional buildings, or publicly-funded schools in Peel. These programs will have to complete a CWELCC Expansion Application as they must demonstrate financial viability.

## **Step 4: Complete Peel's CWELCC expansion application**

If you are eligible and interested in participating in the CWELCC program, please complete the [CWELCC Expansion Application](#).

### **When to submit an application?**

We are accepting CWELCC Expansion Applications on an ongoing basis.

### **How to submit completed applications?**

- Send your completed application with the subject line "CWELCC Expansion Application" to [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca).
- You can use this application to apply for a Start-up Grant. Refer to the section on the Start-up Grant below for more information.

## Application Requirements:

- If you are applying to open a new child care centre in Peel, you must submit a letter from the landlord or property owner confirming your interest in the proposed location.
- If you are expanding your existing site, you need to provide an updated lease agreement and/or letter from the landlord to show that the landlord has agreed to your expansion.
- CWELCC approval is site-specific and cannot be transferred to another location. You must submit a new centre-based application if either of these situations take place:
  - The address of your new location changed from what you stated in your application.
  - You were approved for CWELCC but the specific location you were interested in leasing is no longer available.
- New child care programs must have a fiscal year end of December 31 and will be required to provide calendar year (January to December) audited financial statements.

### Important

We are continually reviewing our data to determine if we are achieving our space goals as new child care spaces become operational. Before you apply, you may email us at [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca) if you need more information regarding space availability in Peel's communities.

Applying does not guarantee approval into Peel's CWELCC expansion program. All applications are subject to Peel's review, as well as funding and space availability.

Peel Region is not responsible for any liabilities or for the viability of new child care programs opening in Peel. Child care programs must make informed decisions based on their own research related to program expansion.

## **Step 5: Application results**

We are accepting applications on an ongoing basis. Depending on application volume, it may take us up to four weeks to complete our review and get back to you with the results.

### **Approved**

You are considered “approved” if you have received written confirmation from Peel Region to enroll in Peel’s CWELCC program.

- We will send you a CWELCC Expansion Program letter with your approved spaces and base fees.
- You must return a signed copy of the letter within 10 business days to confirm participation.
  - You must submit confirmation of a lease agreement for the site and apply in CCLS for a new or revised licence.
  - Your CCLS application must indicate your intention to apply for CWELCC funding.
- When you return the signed letter and all required documentation, we will provide CWELCC approval in CCLS. You are not considered approved until we approve your CCLS application.
- Once your licence is issued and your new or expanded CWELCC spaces are operational, we will start the contract execution process for your CWELCC funding.

When you are approved, you do not need to apply for the CWELCC program annually. Agreements will be signed in [GovGrants](#).

If you are approved to participate in Peel's CWELCC program, you must operate according to the information that was submitted and approved in your CWELCC application and confirmation letter. This includes operating in the approved location, providing care for the approved age groups, and charging the approved base fees. If you fail to operate according to your approved application details, we reserve the right to cancel or withdraw your CWELCC approval.

## **Denied**

You are considered “denied” if you have received written confirmation from Peel Region that you have been denied admission to enroll in Peel’s CWELCC expansion program.

We may deny applications if they:

- Do not align with the requirements in Peel’s CWELCC expansion plan.
- Do not align with Peel’s directed growth plan or EDU’s auspice objectives.
- Are not considered financially viable due to deficits, liabilities, or cash flow concerns. This includes where Peel Region has reasonable grounds to believe the applicant has not or may not use the funds for its intended purposes or the applicant is not in good standing with Peel’s funding or licensing requirements under the CCEYA.

Note: Peel Region has the right to deny applications for additional reasons not listed above.

If you applied for the Start-up Grant, this application will also be denied. The Start-up Grant is only available to child care providers approved for a CWELCC expansion project in Peel.

## Waitlist

We may waitlist applications that meet the eligibility criteria of Peel's CWELCC expansion program, but cannot be approved due to lack of funding or space availability. We will continue to monitor waitlisted applications and may provide approval as additional funding or spaces become available. We will prioritize approving waitlisted applications that align with Peel's service system plan priorities. You are considered "waitlisted" if you have received written confirmation from Peel Region that you are awaiting a final decision to enroll in Peel's CWELCC program.

## Appeals

Applications that are denied can appeal the decision within 30 days. Depending on the reason for denial, additional documents may be required, such as:

- Revisions to the applicant's CWELCC Expansion Application to better align with the requirements of Peel's CWELCC expansion plan.
- Additional financial documentation to demonstrate the financial viability of the proposed expansion plan.

If you would like to appeal your CWELCC Expansion Application denial, you must complete the Appeal Submission form that you received with your denial letter, along with any supporting documents and email it to

[EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca).

We will review the appeal and notify you of our decision within 30 calendar days. If your appeal is unsuccessful or you do not submit an appeal within 30 days of being denied, your application will remain denied.

All appeal decisions are final.

## Participating in the Peel Region CWELCC program

### CWELCC funding for approved applications

Starting January 1, 2025, if you are approved to take part in Peel's CWELCC program, you will receive funding based on EDU's new cost-based funding approach. Through this funding approach, CWELCC child care providers will receive a program cost allocation to support eligible costs to deliver child care for children younger than 6 years of age.

As a new provider enrolled in CWELCC, your program cost allocation is calculated using the following amounts:

- **Benchmark allocation:** This amount helps cover typical costs of providing child care adjusted by Peel's Geographic Adjustment Factor (GAF). It includes staffing and operations.
- **Growth top-up:** This amount supports costs for adding new expansion-approved spaces. Peel's growth top up is 23%.
- **Amount in lieu of profit or surplus:** This amount is the allowable profit (commercial) or surplus (non-profit) that will be provided under the CWELCC program.

For details on the new funding approach, its requirements, and your obligations for 2025, review:

- Peel's [2025 CWELCC Funding Guideline](#)
- EDU's [CWELCC Cost-based Funding Guideline](#)
- EDU's [CWELCC Cost-based Child Care Funding Estimator](#)
- The Early Years and Child Care (EYCC) [Service Provider Handbook](#)

Additional resources for child care providers newly-enrolled in the CWELCC program are on our [website](#).

## Early Years and Child Care (EYCC) funding agreement

Child care providers who are approved to take part in Peel's CWELCC program will have to enter into an EYCC Funding Agreement with Peel Region and must:

- Accept and include children who receive child care subsidy.
- Accept and include children with special needs by authentically participating in [Peel Inclusion Resource Services \(PIRS\)](#).
- Participate in continuous quality enhancement initiatives like [Raising the Bar - Peel's Quality Enhancement Initiative](#) and professional learning opportunities.

To support this, child care providers will receive:

- Child care subsidy funding to cover the cost of care for families receiving subsidy.
- Access to Resource Consultant supports and Enhanced Program Support Funding for centre-based sites.
- Access to Early Years Specialist staff supports.
- Access to continuous quality enhancement initiatives, including professional learning through [Child Development Resource Connection Peel](#).

Early Years Specialists will support the onboarding of new child care providers to understand the requirements of the EYCC Funding Agreement.

Child care providers must comply with the terms of the EYCC Funding Agreement, including applicable Peel guidelines, policies and legislation.

## CWELCC expansion - Start-up Grant

Funding is available for a Start-up Grant for eligible providers who have been approved to participate in Peel's CWELCC program. The grant can be used to offset eligible costs necessary to meet EDU licensing requirements to expand or create



new, community-based, full-day licensed child care spaces that serve infants, toddlers and preschoolers. For child care centres, it includes equipment or minor renovations, such as leasehold improvements, retrofit, renovation or expansion projects. Proposed child care projects must be financially viable without the Start-up Grant.

## Eligibility criteria

To receive a Start-up Grant, you must meet the following requirements:

- Be a licensed child care provider or in the process of becoming licensed, with priority given to non-profit agencies.
- Be approved for a CWELCC expansion project in Peel and agree to participate in the system for the remainder of the current federal and provincial CWELCC agreement that ends on March 31, 2026.
- Create **new** community-based, full-day licensed spaces for infants, toddlers, and preschoolers only in Peel's priority communities or within 2km of a priority neighbourhood. See [Peel's priority communities mapping tool](#) for information.
  - **NOTE:** A change in auspice does not qualify a child care provider for the Start-up Grant. Child care providers who change the auspice of an existing site are not eligible for the Start-up Grant unless expansion beyond the current licensed capacity is planned.
  - We will only assess eligibility if an existing site submits a project plan which demonstrates intent to create net new licensed spaces beyond those listed in the primary capacity of Schedule 1 of the current licence issued by EDU. Only the net new licensed spaces created will be eligible for the grant, and only eligible expenses necessary to meet EDU licensing requirements will be considered.
- Make every effort to expand licensed spaces to serve a maximum group size for each age grouping.
- Spend the grant and open new licensed spaces by December 31, 2026.

- Have business management practices that align with Peel’s priorities identified in the [Early Years and Child Care Service System Plan](#).

## **Available funding**

Refer to the CWELCC Start-up Grant Guidelines for centre-based providers on our [website](#) for more information on available funding.

Peel is prioritizing the Start-up Grant for the creation of full-day, community-based spaces that serve infants, toddlers, and preschoolers. Any approved Start-up Grant funding allocation will be calculated based on spaces serving these age groups only.

## **Review of Start-up Grant applications**

If you are approved to take part in Peel’s CWELCC program, we will review your Start-up Grant application. If you are approved for the grant, we will determine your eligible funding based on current benchmarks, available funding, and spaces serving the infant, toddler, and preschool age groups.

To support project implementation, you will need to sign a funding agreement. You will be responsible for any project spending that is more than the approved funding allocation. More details on the requirements for this funding are outlined in the CWELCC Start-up Grant Guidelines, which can be found on our [website](#).

### **Need more information or have questions?**

Email [EarlyYearsSystemDivision@peelregion.ca](mailto:EarlyYearsSystemDivision@peelregion.ca)