



Early Years and Child Care

2026–2029 Business Plan
and 2026 Budget

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Executive Summary

Mission: To build and support an early years and child care system that is responsive to current and future needs of children and families in Peel.

Services We Provide

Plan, support, fund, evaluate, and oversee the early years and child care system, working with service providers to ensure families have accessible, accountable, affordable, diverse and inclusive and high-quality early years and child care services.

- **Licensed child care.** We assess and respond to child care service needs, provide funding to reduce parent fees, support child care providers so that they can maintain operations as well as provide funding to support wages for child care staff.
- **EarlyON child and family centres.** We oversee free programs that help families with children 6 years and younger to grow and learn together. EarlyON connects families with early childhood professionals who can answer questions about child development.
- **Child care subsidy.** We reduce the amount of money that eligible families pay for child care for children 12 years and younger so that families with lower incomes have access to licensed child care.
- **Special needs resourcing.** Through Peel Inclusion Resource Services (“PIRS”) we support access, inclusion, participation and belonging of all children in licensed child care by connecting providers and families with free special needs resourcing supports. A diagnosis is not needed.

Interesting Facts About this Service

- Early Years and Child Care Services has one of Peel’s largest program budgets with a total budget of \$649.3 million in 2026.
- 96% of licensed child care centre sites and 95% of licensed home child care agencies in Peel participate in the Canada-Wide Early Learning and Child Care (“CWELCC”) plan which aims to give families access to more affordable and high-quality child care options by lowering fees, increasing spaces and supporting inclusion.
- Even with the Ontario government’s goal for CWELCC of an average of \$10 a day for child care fees, 81% of families who receive child care subsidy now pay \$10 or less a day for child care. In addition, families with children 6 years and older do not qualify for CWELCC. These families will still need ongoing financial support to afford licensed child care.

- Peel has not had a wait list for child care subsidy since 2013; however, many families who qualify for Child Care Subsidy are now waiting for spaces to become available in the system due to higher child care demand since CWELCC started.
- Peel’s Early Years and Child Care workforce includes 5,700 qualified staff, over 75% of whom are Registered Early Childhood Educators (“RECEs”). Attracting and retaining this workforce to align with system growth remains a challenge due to inequities in wages and benefits compared to the school board sector, policy and legislative barriers, and inflexible education and training pathways.
- In 2024, EarlyON programs in Peel recorded 646,598 visits from children and families, an increase of 9% over 2023.
- 99% of licensed child care programs participate in PIRS.

Highlights of the Business Plan

- The addition of 10,768 new child care spaces to be achieved between 2024 and 2026 under our Ontario government 3-year target.
- Improving EarlyON and child care programs, policies, and practices to ensure that they reflect the diversity of our community and that families feel like they belong when accessing these programs.
- Investing in EarlyON to address system demand and funding pressures to provide greater stability in the EarlyON system and ensure families and children continue to have access to these important programs.
- Improving navigation of the early years and child care system so that families have increased awareness of services that are available.
- Implementing strategies to attract, hire and keep qualified educators. Peel needs approximately 1,245 more early years and child care staff to operate the new spaces to be added by 2026.
- Continued technology improvements to modernize reporting and funding administration while reducing administrative burden for our sector partners.
- Ongoing implementation of CWELCC to improve child care affordability to the province’s goal of an average of \$10 a day by 2026.
- Improving access to the Child Care Subsidy programs so that all families have access to affordable child care.

Table 1. Budget Summary

	2026	2027	2028	2029
Operating Net Investment (in \$ thousands)	20,269	24,007	24,448	24,898
Capital Net Investment (in \$ thousands)	175	3,087	796	1,604
Full Time Equivalents	125.1	125.1	125.1	125.1

Core Services

Vision, Mission, Goals of Service and Service Delivery Model

Vision

Families have access to inclusive, affordable, accountable, high quality, accessible early years and child care services that support their choice and promote child growth and development.

Mission

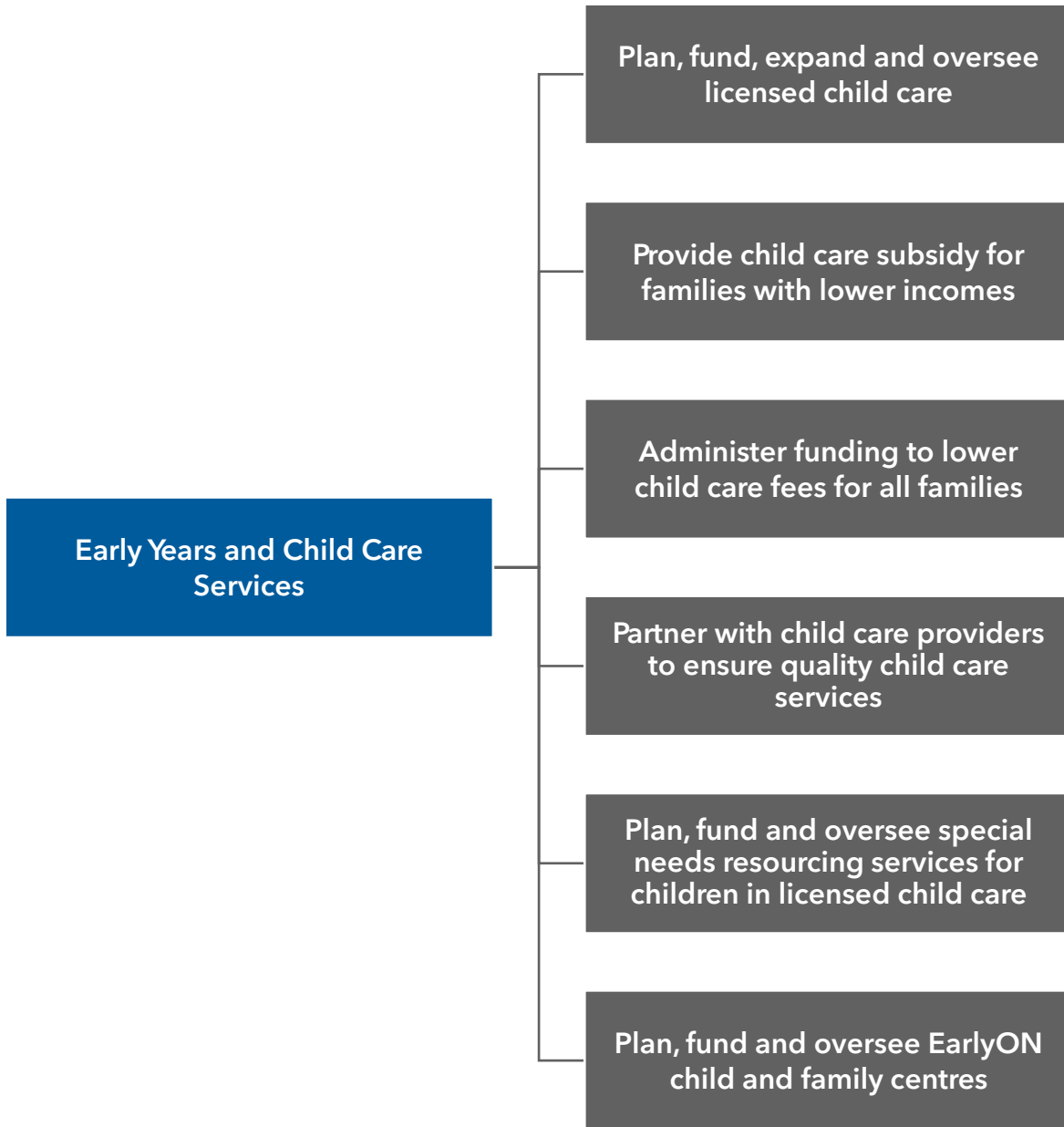
To build and support an early years and child care system that is responsive to current and future needs of children and families in Peel.

Goals of Service

1. **Accessible.** Families have access to early years and child care programs that meet their specific needs and have accurate, up-to-date information about early years and child care programs.
2. **Accountable.** Early years and child care system management is future-oriented, responsive, and accountable.
3. **Affordable.** Public funds are used to improve the affordability of licensed child care.
4. **Diverse and inclusive.** Early years and child care programs are responsive, welcoming and inclusive of all children and families.
5. **Quality.** Service providers continuously improve early years and child care program quality.



Service Delivery Model



Service Levels and Trends

Service Levels

In 2024, Early Years and Child Care Services delivered the following services:

Licensed Child Care

Provided funding, support, and oversight to 202 centre-based and licensed home child care agencies. This funding supported 556 centre-based sites and 387 home child care sites with a total of 53,276 spaces.

EarlyON

Provided funding, oversight and system-level support to 8 EarlyON providers across 58 centres in Peel. As the EarlyON system continued to recover and stabilize following the pandemic, we observed sustained growth in participation. In 2023, child and family visits increased by 81% compared to 2022, reaching 592,631 visits. This upward trend continued into 2024 with a total of 646,598 visits.

Child Care Subsidy

Supported 9,574 children to access affordable licensed child care. There is currently no wait list for child care subsidy.

Special Needs Resourcing

Peel Region provided funding and oversight to 4 Inclusion Support Agencies who deliver PIRS services to licensed child care programs. PIRS worked with 3,052 children who need extra support to thrive in licensed child care programs in 2024. This is an 8% increase from 2023.

Trends

Peel is a rapidly growing municipality, with the highest proportion of children in the Greater Toronto Area (42%) according to the latest census. As the child population continues to grow so has the need for early years and child care programs and services.

More families are now waiting for child care due to increased demand as the cost of care becomes more affordable. To keep pace with this demand for care, Peel Region will create 10,768 additional licensed child care spaces under our 3-year target between 2024–2026. To date, we have just over 4,000 spaces toward this target remaining to be approved.

A thriving, qualified early years and child care workforce is key to ensuring that families and children in Peel have access to affordable and high-quality child care. While we have made some progress in building the early years and child care workforce in Peel, there are several external factors creating challenges for achieving the levels needed to support system growth.

With the addition of child care spaces in the system, Peel now needs approximately 1,245 more early years and child care staff to operate these new spaces.

Affordability continues to be a priority for families accessing licensed child care. CWELCC continues to reduce child care fees, with a goal to transition to the province's goal of \$10 a day average fee by 2026. Families with children in programs enrolled in CWELCC already pay a maximum of \$22 a day for their child care base fees. This was welcome news for many Peel families who have historically faced some of the highest child care fees across Canada.

While CWELCC will support affordable child care for many families in Peel, families earning less than \$50,000 a year still cannot afford \$10 a day child care, and families with children 6–12 years of age who do not qualify for CWELCC will need ongoing financial support to afford licensed child care. Provincial funding and legislative changes are needed to ensure families with lower income and with children 6–12 years of age can also access affordable child care.

With the increase of families accessing affordable licensed child care, the need for services such as special needs resourcing supports is also on the rise. There is more reliance from the system on PIRS staff to help all children participate, feel included and thrive in child care programs.

In addition to a growing demand for licensed child care, we also continue to see increases in the number of child and family visits to EarlyON Child and Family Centres. We use data on site visits and operating capacity to identify program usage rates for each EarlyON review area and to understand if EarlyON services are meeting demand. Data on usage shows that the demand for EarlyON programs is outgrowing capacity. In 2024, there was a 93% average usage rate in EarlyON across Peel, up 4% from 2023.

These trends demonstrate the importance of high-quality, affordable and inclusive early years and child care programs to families and children in Peel. They show the need for ongoing investment in the early years and child care sector and illustrate how Peel Region's investments in these programs continue to contribute to our vision of building a Community for Life.

Performance Measures and Results

Peel Region will continue to build and grow an early years and child care system that is responsive to current and future needs of children and families in our community. We continue to use data and key performance indicators to measure our progress, and to help us ensure that we are continuing to support the evolving needs of the sector and families accessing the services and programs.

Our commitment is that Peel's Early Years and Child Care programs will be:

Accessible

- To meet our ministry directed 3-year expansion target of 10,768 new child care spaces between 2024 and 2026 we have approved approximately 60% of this goal with just over 4,000 spaces remaining to achieve our goal.
- To meet the provincial goal of building an affordable child care system that is inclusive and accessible, all new child care providers who are approved to participate in CWELCC must accept families who receive Child Care Subsidy and children who need extra support to participate in child care.
- To ensure that Child Care Subsidy clients in receipt of Ontario Works ("OW") are connected to the Child Care Subsidy program in a timely manner, we have a new Child Care Subsidy Referral Application Process to streamline and automate the OW/Child Care Subsidy referrals process.
- To support equitable access to EarlyON for all families, we worked together with EarlyON providers to develop plans for redistributing programming hours in 2025 to better align with centres experiencing higher demand.

Accountable

- In 2024, we provided \$133.9 million in funding to 222 providers in child care programs, EarlyON programs, special needs resourcing agencies and on initiatives to enhance the quality of early years and child care programs.
- All service providers who receive early years and child care funding from Peel Region are held accountable for the responsible use of public funds through various compliance audit tools.
- Through the funding reconciliation process, staff assist providers with correcting reporting errors and broadening their understanding of funding requirements, which increases accountability for public funds. In 2024 and 2025, staff completed 25 funding reviews and more than 2,300 funding reconciliations.

Affordable

- In 2024, CWELCC lowered fees by almost 53% for children 5 years and younger, and effective January 1, 2025, fees have been capped at \$22 a day, providing an average annual savings of \$19,372 for a family with two children of toddler and preschool ages.
- Beginning in 2023, Peel Region introduced the Before and After-School Affordability and Enrichment program to improve affordability of before and after school programs for families with children ages 6 to 12, who are not eligible to receive the benefits of CWELCC. This program provides a 50% fee reduction for children in before and after school care, as well as supports offering enrichment programs while they are in care.
- In the 2024 to 2025 school year, the program supported 7,794 spaces with an average cost savings for the school year of \$3,002 for each child.
- We also supported families with lower incomes to pay for child care by investing \$31.7 million in child care subsidies, benefitting 9,574 children 12 years and younger in 2024.

Diverse and Inclusive

- 99% of licensed child care programs in Peel participate in Peel Inclusion Resource Services (“PIRS”).
- In 2024, Peel Region began work to enhance DEI within PIRS. Inclusion Support agencies have developed DEI plans that include measurable actions to guide their DEI work through 2026.
- EarlyON providers continue to offer customizable programs for families, including for Black parents and caregivers, newcomer fathers, incarcerated parents, 2SLGBTQ+ families and asylum seekers. For 2025, there are 43 customizable programs available for families.

High Quality

- In January 2025, Peel Region launched a refreshed “Raising the Bar in Peel” Quality Enhancement Initiative (“QEI”) which was co-developed by Child Development Resource Connection Peel (“CDRCP”), Peel Region, and the licensed child care system in Peel.
- The QEI supports child care providers in building quality in their programs. Peel has funded ongoing supports such as workshops, trainings, mentoring and participation in quality programs that help educators reflect on their work and improve the quality of child care settings and their interactions with families.
- In 2024, a Continuous Quality Improvement (“CQI”) cycle was fully implemented across all EarlyON sites. This process embedded learning from past experiences, intentional goal setting, and program planning into regular operations.

- Across the system, 114 goals were established by service providers to enhance quality. Fifty-one of these goals led to a change in the quality rating, reflecting tangible improvements in service delivery.
- Professional learning continues to adapt to sector needs with increased learning opportunities related to special needs resourcing, diversity, equity and inclusion, and instructional supports for new or recently graduated early years and child care professionals.
- Peel Region has partnered with Niagara college to offer a 2-year self-guided diploma program to early years and child care staff who qualify. This makes it possible for them to earn an Early Childhood Education (“ECE”) diploma while staying in their current jobs, creating a more qualified and stable workforce.

Awards and Achievements

Awards

In 2025, Early Years and Child Care Services won the **Peel Celebrates, We All Belong Award**. This award recognizes an individual or team who has made a substantive contribution to diversity, equity and inclusion in the workplaces. The Early Years and Child Care Services Diversity, Equity and Inclusion (“DEI”) Planning Table received this award for their dedication to raising awareness for diversity, equity and inclusion through various strategic initiatives in the division and for advancing Peel Region’s Community for Life vision, fostering a culture of allyship and accountability. The team was recognized for their work in supporting divisional accountability in DEI by facilitating cultural events, creating a resource hub and supporting the division to embed DEI in policy/program development and delivery. In 2024, 87% of EYCCS divisional employees reported having a deeper understanding of DEI as a direct result of this team’s efforts.

Achievements

Over the past year, the Early Years and Child Care Services team has significantly improved access, accountability, affordability, diversity and inclusion and quality in early years and child care programs in Peel.

Improving Access

We have already made significant progress in growing the licensed child care system in Peel under the CWELCC expansion plan. Our expansion will increase child care spaces in Peel by 42% for children younger than 6 years of age by 2026, focusing on creating access for underserved communities across Peel. Over the next 2 years, we will focus on expanding our system by over 4,300 more spaces to achieve our 3-year goal of 10,768.

Improving Accountability

In April 2025, Early Years and Child Care Services began hosting bi-weekly drop-in sessions with neighbouring Consolidated Municipal Service Managers (“CMSMs”) to collaborate on financial and compliance matters related to the CWELCC plan and the new cost-based funding model. The goal is to learn from one another as well as create stronger relationships with other Ontario municipalities as we all work through the first year of implementation. These sessions are a valuable forum for knowledge-sharing, joint problem-solving, and aligning on accountability practices.

Our Funding Guidelines and the Service Provider Handbook outline numerous accountability tools and processes, which promotes responsible use of public funds. In addition to our reconciliation process, we use 5 types of compliance audit systems with the goal of conducting one review for each service provider every 3–5 years. In 2025, we will complete more than 1,100 reconciliation report reviews in Q2 and Q3 and more than 80 compliance audit mechanisms in Q3 and Q4.

In 2024, Early Years and Child Care Services developed the System Health Report to monitor sector data and trends to support decision making, ensuring accountability, transparency and improved service delivery.

In the spring of 2025, Early Years and Child Care Services presented the Peel Inclusion Resource Services Quality Assurance and Compliance Framework at the Ontario Municipal Social Services Association (“OMSSA”) 2025 Knowledge Exchange Conference. The session highlighted Peel’s journey to increase accountability and oversight for special needs resourcing (“SNR”) supports. Presenters shared lessons learned through an evaluation of Peel Inclusion Resource Services (“PIRS”), how that insight led to enhancing consistent practice expectations, and to developing a quality assurance and compliance framework.



Improving Affordability

We have prioritized making child care affordable for all families with children 12 years of age and younger attending licensed child care through:

- CWELCC fee reductions for children birth to 6 years old to a maximum of \$22 a day.
- Child Care Subsidy to help lower income families access affordable care. Child Care Subsidy also helps eligible families with children 12 years and younger pay for child care costs that CWELCC doesn't cover.
- Our Before and After-School Affordability and Enrichment program for children 6 to 12 years old attending before and after-school care. Peel Region is one of only a few jurisdictions to offer this program.

Improving Inclusiveness

Over the last year we have been continuing to work with our sector partners to understand the current state of diversity, equity and inclusion practices and to identify where there are opportunities to remove barriers and make improvements.

The first stages of our DEI work occurred within Peel's EarlyON programs. EarlyON agencies have each implemented their annual action plans with key goals, activities and measurement indicators to support them in their continued DEI work.

We have also begun to better understand our families who receive Child Care Subsidy by collecting socio-demographic data as a part of the intake process. We use this information and a DEI perspective to provide more personalised services to these families with the knowledge that not every family requires the same level of support, and that systemic barriers can have an impact on a family's understanding of programs and services that they are looking to receive.

The Provincial Access and Inclusion framework mandates service system managers to focus on improving access and inclusion within local system plans. Early Years and Child Care Services used this framework as well as Peel Region's DEI Strategy to inform system planning for 2025–2030 through engagement with more than 2,000 parents, caregivers and children.

We made deliberate efforts to include diverse voices from under-represented groups and communities including Black, racialized, families with low income, 2SLGBTQ+, newcomers, and families with children who need extra support. Through this process, Early Years and Child Care Services staff used culturally responsive engagement methods that focussed on cultural values and created spaces where all groups felt welcomed, comfortable and heard.

We have also made intentional efforts to work closely with Indigenous partners and community members to support Indigenous children and families in Peel in accessing quality early years and child care programs that respect their cultural practices. In 2023 and 2024, staff engaged with

members of the Indigenous community through various traditional cultural activities. Families said that they want to feel respected for their identities and see their culture accurately reflected in early years and child care programming and environments. Peel Region continues to engage with the Indigenous community to ensure that Indigenous children and families have access to quality early years and child care programs that respect cultural practices and needs.

Improving Quality

The updated Quality Enhancement Initiative (“QEI”) was rolled out to licensed centre-based and home-based child care programs in January 2025. In June 2025, at least 50% of all programs, had completed a Quality Commitment Plan (“QCP”) which outlines their program goals.



The 2026–2029 Business Plan Outlook

Planning for the Future

Peel Region’s 5-year Early Years and Child Care Services System Plan outlines our five system priorities, how we will achieve our goals, and how we measure success. The current plan serves as our roadmap for 2025 through 2030 and was developed through extensive consultation with families, service providers and community partners. The input gathered helped us to identify key priorities to support the well-being of children and families in Peel, now and into the future. As such, our business plan outlook for 2026–2029 will be directed by this broader Service System Plan.

The following is what we aim to achieve over the next 5 years for each of our priorities.

Access

Child Care Expansion

- In keeping with provincial direction, we will create 10,768 new licensed child care spaces for children younger than 6 between 2024 and 2026.
- Our expansion will focus on 14 priority communities in Peel that are most in need of additional child care spaces based on data from the EYCC Mapping Tool.
- For the rest of the current CWELCC agreement, we will focus on expanding Peel's non-profit sector to meet our overall expansion target of at least 4,984 spaces operated by non-profit service providers.

EarlyON Expansion

- We will improve access to EarlyON centres for all families by continuing to review programs, policies, and practices to reflect the diversity of our community, and build spaces where all families feel like they belong.
- We will continue to explore opportunities to expand the number of EarlyON centres and hours in response to demand from families.

System Navigation

- We will work with CDRCP to raise awareness among residents of different services that are available, such as EarlyON centres, PIRS, and Child Care Subsidy.
- We will provide extra support to families facing barriers by improving system navigation resources, including the search tool and complaints form.

- We are exploring the use of Artificial Intelligence (“AI”) to provide better access to, and improve the navigation of, our supports and services.

Workforce Strategy

- In 2025, we will implement the refreshed Early Years and Child Care workforce strategy to address the need for approximately 1,245 more qualified staff to deliver programs in the new spaces under the CWELCC expansion plan.
- We will focus initiatives and advocacy efforts on immigration pathways to attract qualified RECEs, funding flexible training for career advancement, and offering incentives to keep the current workforce.
- We will continue making investments to increase child care staff salaries to attract, hire and keep staff to deliver quality programs.
- We will continue initiatives that partner with colleges to grow a qualified early years and child care workforce.

Accountability

- We will continue to modernize funding and reporting processes using improved technology to reduce administrative tasks.
- We will investigate using technology solutions to improve access to services and make it easier for families to navigate available supports.

Affordability

The Canada-Wide Early Learning and Child Care Plan (“CWELCC”)

- Effective January 1, 2025, child care fees are a daily maximum of \$22.
- The goal is to maintain participation rates in the CWELCC plan across licensed child care sites in Peel and to deliver the provincial goal of an average of \$10 a day by 2026.

Child Care Subsidy

- We will continue our efforts to improve access to the Child Care Subsidy program, as many families would not be able to afford licensed child care without subsidy, even when child care is \$10 a day.

Before and After-School Programs (“BASPs”)

- We will continue to invest in making before and after school programs more affordable for families with school-aged children.

Diversity and Inclusion

- We are creating and implementing a DEI framework for the early years and child care sector to promote equity and inclusion. This includes working with providers to identify and remove barriers to access,

reviewing and updating policies to reflect best practices, and promoting inclusive language and approaches across the system.

- In the fall of 2025, we will launch our first Indigenous-led EarlyON program, led by The Indigenous Network.
- The DEI Community of Learning and Practice for EarlyON will continue into 2025.
- EarlyON providers will continue to develop and carry out DEI action plans.
- All PIRS agencies will develop and implement DEI action plans.

Peel Inclusion Resource Services (“PIRS”)

- We will continue to invest in PIRS as our system grows and ensure it is responsive to the needs of educators and families.

Quality

Workforce Capacity Building

- We will continue to provide all early years and child care educators with access to training, mentorship, and resources to support their professional growth.

Child Care Quality Initiatives

- We will support all licensed child care providers to offer high-quality child care programs for families by facilitating participation in the quality enhancement initiative (“QEI”) and the EarlyON Quality Initiative.
- We will continue with a model that encourages the use of lessons learned to enhance quality in EarlyON settings, including meeting annual quality goals.

Finding Efficiencies

Continuous Improvement

Peel Region’s continuous improvement program helps us deliver better services while maximizing value for tax dollars. Completed projects have improved resident experience, staff engagement and cost savings.

Highlights of projects and improvements include:

Improved Data and Governance Practices

Early Years and Child Care Services division has been working closely with service providers to clean and update data in the OCCMS and GovGrants technologies, improving data quality and consistency. We have increased our oversight to understand the health of the system and are using the data to

inform decisions. These efforts are helping us build a more streamlined, transparent and data-informed early years and child care system.

Provider Portal Project

Early Years and Child Care Services partners with over 700 child care sites to deliver child care services within Peel. The current EYCCS public webpage which contains information for families and providers, makes it difficult for service providers to locate essential documents. With these challenges in mind, we will create an Early Years and Child Care provider portal that will consolidate all necessary service provider resources into one central location. This will increase ease of access for providers and ensure that they can easily find relevant information. In addition, the solution will simplify the onboarding process for new providers, improving efficiency and accessibility.

Ontario Works Referral Process to Child Care Subsidy

Early Years and Child Care Services has automated the process for Ontario Works to refer families to the Child Care Subsidy program. As the two computer systems used by each program area were not compatible, staff previously had to manually complete a referral form with 20 input fields as well as send documentation by email. This process has been automated so that OW staff now complete three fields and the remaining fields are auto populated and sent to the Child Care Subsidy team. With the new automated process, there has been a 95% decrease in time to complete a referral. The new process ensures that workload is not a barrier to referring families to the Child Care Subsidy program.

Transforming Our Business with Technology

GovGrants Technology

GovGrants technology is an innovative, cloud-based solution that allows service providers to manage their contracts, funding applications, and reporting requirements using an online tool.

Through this integrated system, licensed child care and EarlyON providers, as well as agencies that serve children who need extra support to participate in child care, can apply for funding, update information, and communicate directly with Early Years and Child Care Services staff. This reduces administrative costs while improving productivity with fewer manual processes and more accountability for Peel Region.

Through 2025, we have been working on improvements to support the CWELCC plan and the new funding formula. This includes adding budget categories, payment logics and validations, and abilities to modify payments. We have also made payments more transparent by adding remittance slips so providers can see a breakdown of their payments. Finally, we have

integrated DocuSign into GovGrants which aligns us to the corporate e-signature system.

Early Years and Child Care IT Modernization

As part of the CWELCC Agreement and Action Plan, Ontario committed to enhancing its existing data collection activities to improve reporting to the federal government and support sector capacity to implement the CWELCC Agreement.

Beginning in 2023, Peel Region became actively involved in the Ministry of Education engagement on their new IT modernization initiative.

The goals of this initiative are to reduce administrative burden on the sector and families, promote equitable access to early years and child care programs, increase financial oversight, and improve data collection to support local and provincial planning and reporting.

Engagement will continue throughout all phases of the CWELCC plan.

Maintaining Our Infrastructure

Peel Region leases several spaces in buildings to help service providers deliver affordable child care to families. Leases currently exist at Brampton West, Collegeside, Ernest Majury and Streetsville, and were recently renewed with service providers to maintain access to care for families. In addition, Early Years and Child Care Services and Housing Services are working together to create a new space for licensed child care co-located within Norton Lake Residence. This project will create 63 new licensed child care spaces to serve the building residents and local community. Once renovated, a licensed child care provider will be selected through a Request for Proposal (“RFP”) process with the expectation to open the program by December 31, 2026.

The 2026 Capital Budget provides \$125,000 to invest in the properties to ensure they are properly and safely maintained and running smoothly in a reasonable state of good repair.

Proposed Operating Budget

This section sets out the financial resources required to deliver the proposed 2026–2029 Business Plan. Information is provided by major expenditures and revenue. The costs to maintain existing service levels and operationalize prior decisions are identified in the base budget changes separately from proposed changes. The net cost for the service in 2025 was \$20.3 million and the proposed budget for 2026 is \$20.3 million.

Net Expenditures: \$20.3 million (**Total Expenditures:** \$647.9 million)

Description (in \$ thousands)	2024 Actuals	2025 Approved Budget	2026 Proposed Budget	\$ Change Over 2025	% Change Over 2025
Operating costs	1,466	2,201	1,753	(448)	(20.4)%
Labour costs	16,491	17,087	17,639	552	3.2%
Reserve contributions	187	263	251	(12)	(4.5)%
Debt charges	—	—	—	—	—
Grant payments	380,770	620,037	625,073	5,036	0.8%
Facility, IT, HR and other support costs	12,658	5,003	5,091	88	1.8%
Recoveries	(9,403)	(2,092)	(1,870)	223	(10.6)%
Total Expenditures	402,169	642,498	647,937	5,439	0.8%
Grants and subsidies	(381,551)	(619,455)	(624,949)	(5,494)	0.9%
Supplementary taxes	—	—	—	—	—
Fees and services charges	(459)	(504)	(519)	(15)	3.0%
Transfer from development charges	—	—	—	—	—
Contributions from reserves	(228)	(2,200)	(2,200)	—	0.0%
Total Revenues	(382,239)	(622,160)	(627,669)	(5,509)	0.9%
Total Net Expenditure	\$19,929	\$20,339	\$20,268	\$(71.0)	(0.3)%

Note: May not add up due to rounding.

2026 Operating Budget Pressures

Service (in \$ thousands)	Total Expenditures	Total Revenue	Net Cost 2026 vs 2025	
2025 Revised Cost of Service	\$642,498	\$622,160	\$20,339	%
Cost of Living/Inflation¹				
Labour costs	636	—	636	
Goods and services	13	—	13	
Base Subsidies/Recoveries²				
Leased child care centres	15	15	—	
Completion of CWELCC start-up funding	(32,635)	(32,635)	—	
Completion of CWELCC Infrastructure funding	(11,795)	(11,795)	—	
Cost Containment³				
Savings/Efficiencies from operational cost reviews	(719)	—	(719)	
Base Budget Changes Subtotal	(44,485)	(44,416)	(70)	
Service Level Demand⁴				
Canada-Wide Early Learning and Child Care program (CWELCC) subsidy increase	49,924	49,924	—	
Service Level Changes Subtotal	49,924	49,924	—	
Total 2026 Budget Change	5,439	5,509	(70)	
2026 Proposed Budget	\$648,288	\$627,669	\$20,269	(0.3)%

Note: May not add up due to rounding.

Operating Budget Pressure Notes

¹Cost of living/inflation

- Cost of living increase in staffing costs.
- Technology licensing fees increase.

²Base subsidy/recoveries

- Leased child care centres increased operational costs, offset by net property rental increase, net zero impact. Move.
- Completion of CWELCC start-up funding.
- Completion of CWELCC Infrastructure funding.

³Cost containment

- Savings and efficiencies identified from operational cost reviews, \$719,000

⁴Service level demand

- Increase of \$50 million in Canada-Wide Early Learning and Child Care ("CWELCC") to increase subsidy and enhance wages for Early Childhood Educators ("ECEs").

Staffing Resources

Table 2 provides a summary of the staffing resources by Sub-Service (as identified in the Core Services) for the budget year, forecast years and the prior year. The prior year reflects FTE changes approved by Council during the prior year.

Table 2. Staffing Resources to Achieve Level of Service

Sub-Service	2025	2026	2027	2028	2029
Plan, fund, expand and oversee licensed child care	25.0	26.0	26.0	26.0	26.0
Provide child care subsidy for families with lower incomes	36.0	36.0	36.0	36.0	36.0
Administer funding to reduce child care fees for all families	29.1	27.1	27.1	27.1	27.1
Partner with child care providers to ensure quality child care services	17.0	17.0	17.0	17.0	17.0
Plan, fund, and oversee services for children with special needs in licensed child care	10.0	11.0	11.0	11.0	11.0
Plan, fund, and oversee EarlyON child and family centres	8.0	8.0	8.0	8.0	8.0
Total	125.1	125.1	125.1	125.1	125.1

Note: Staffing resources are regular positions (Full-Time Equivalent, FTE).



2026 Total Expenditures and Funding Sources

Figure 1. 2026 Total Expenditures (in \$ millions)

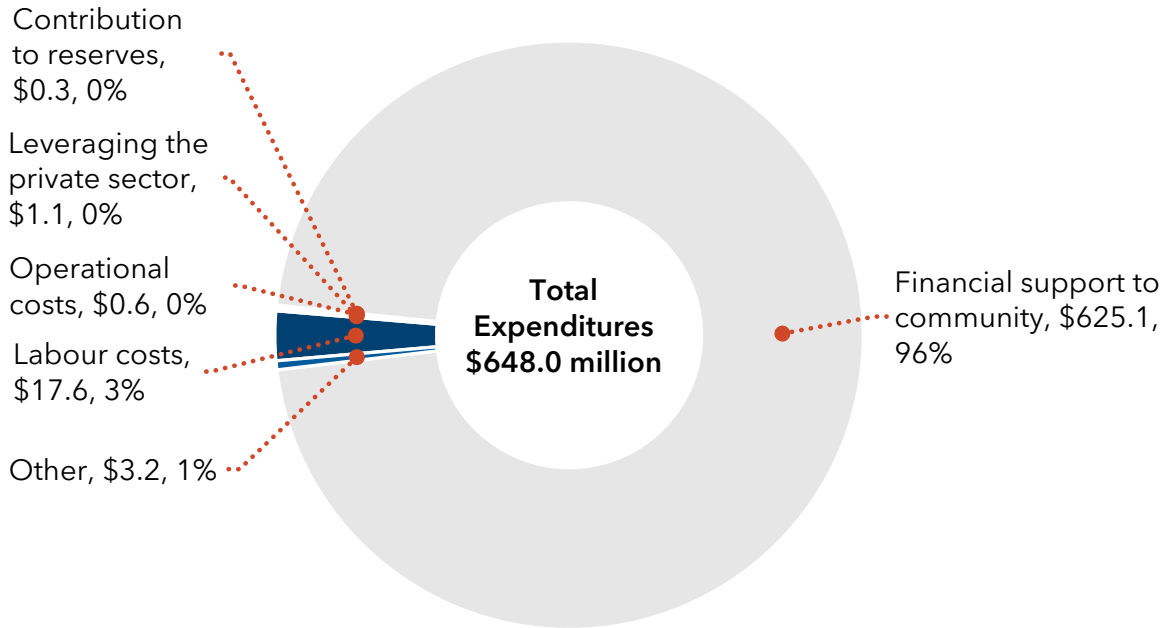
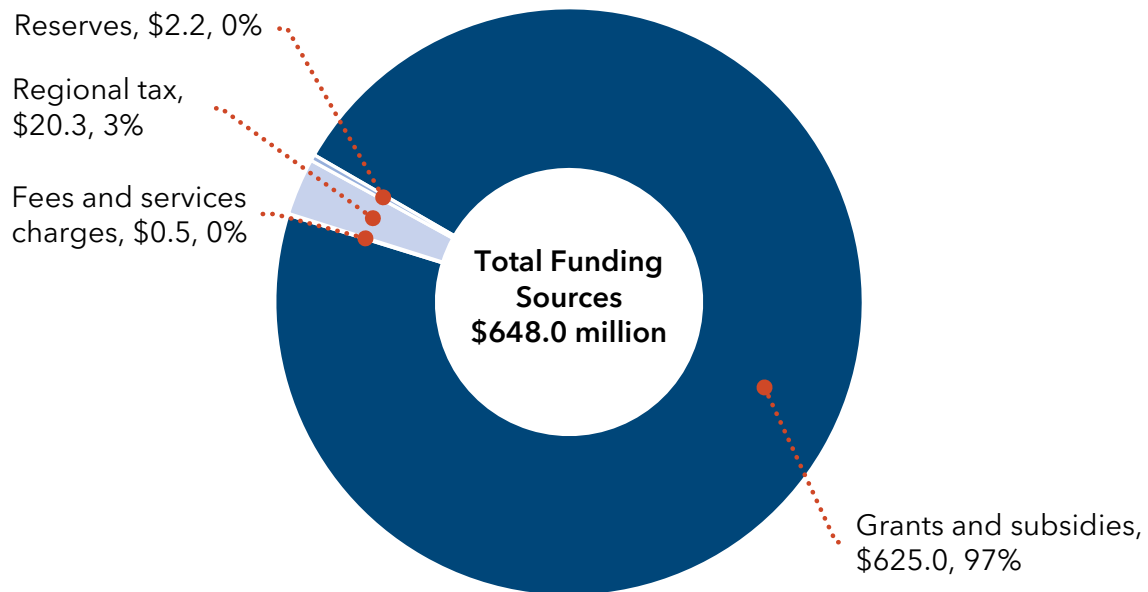


Figure 2. 2026 Total Funding Sources (in \$ millions)



2026 Budget Risks

Additional resource pressures related to the Canada-Wide Early Learning and Child Care plan in addition to the introduction of the new provincial funding formula.

2027–2029 Operating Forecast

Table 3. Budget (in \$ thousands)

	2025	2026	
Total Expenditure	642,498	647,937	0.8%
Total Revenue	(622,160)	(627,669)	0.9%
Net Expenditure	20,339	20,269	(0.3)%

Table 4. Forecast (in \$ thousands)

	2027		2028		2029	
Total Expenditure	783,295	20.9%	799,838	2.1%	816,760	2.1%
Total Revenue	(759,288)	21.0%	(775,390)	2.1%	(791,862)	2.1%
Net Expenditure	24,007	18.4%	24,448	1.8%	24,898	1.8%

Note: May not add up due to rounding.

- In 2027 Withdrawals totaling \$2.2 million from the Tax Rate Stabilization ended in 2027. These reserve funds were used to mitigate impact of the reduction of in provincial administration funding. Increase in CWELCC to reflect the next parent fee reduction to move child care fees towards an average of \$10 a day, with no changes in the regional mandatory contribution of \$5.9 million. The transition to \$10 per day average fees is expected to be applied in 2027.
- The forecast includes an increase of \$1 million in Peel region contribution to the Early On program starting from 2027.
- 2028 and 2029 forecast years reflect inflationary changes.

Proposed Capital Budget

Capital Budget: \$0.2 million (**10-year Plan:** \$12.8 million)

2026 Capital Budget Overview

Table 5 provides a summary of Early Years and Child Care Service’s planned capital project activity for 2026, including funding sources for both new capital project requests in 2026 and projects carried forward to 2026.

Table 5. Capital Plan by Funding Source (in \$ thousands)

	Carry Forward from Prior Years (WIP)	2026 Capital Budget	Total Capital in 2026
DC Growth	–	–	–
Externally Funded	–	–	–
Non-DC Internal	1,339	175	1,514
Total Expenditures	\$1,339	\$175	\$1,514
# of Projects	2	1	3

Existing Capital Projects – \$1.3 million

Key highlights:

- \$0.7 million for GovGrants, and enterprise technology.
- \$0.7 million for Child Care facilities capital projects (Brampton West, Chinguacousy, Collegeside, Ernest Majury and Streetsville).

2026 Capital Budget – \$0.2 million

Key highlights:

- \$0.2 million for Child Care facilities capital projects (Brampton West, Chinguacousy, Collegeside, Ernest Majury and Streetsville).

See Appendix I for details.

2026 Budget Risks

- None.

Operating Impact of 2026 Capital Budget

- No operating impact since the Early Years and Child Care Services’ facilities expenses are covered by the property rental income.

Proposed Capital Plan

2026–2035 10-year Capital Plan: \$12.8 million

By Project Classification

State of Good Repair
\$12.8 million

DC Funded Growth
\$0.0 million

Non-DC Funded
Growth and Other
\$0.0 million

Key Highlights

- \$12.8 million for child care facilities state of good repair capital projects.

See Appendix II for details.



Appendix I

Table 6. 2026 Financing Sources and Funding Status (in \$ thousands)

Project	Name	Description	Total Expense	Development Charges	Reserve Funds	External Funding	Debt Funding
260302	CPPM-Construction Capital	Child Care Centre Renovations	75	—	75	—	—
260303	FOS-Facilities Capital	Child Care Centre Renovations	100	—	100	—	—
Early Years and Child Care Total			\$175	—	\$175	—	—

Appendix II

Table 7. 2026 10-Year Combined Capital Program (in \$ thousands)

Project	Name	Description	2026	2027	2028	2029	2030	Yrs 6-10	Gross
260302	CPPM-Construction Capital	Child Care Centre Renovations	75	3,087	796	1,604	1,956	5,149	12,668
260303	FOS-Facilities Capital	Child Care Centre Renovations	100	—	—	—	—	—	100
Early Years and Child Care Total			\$175	\$3,087	\$796	\$1,604	\$1,956	\$5,149	\$12,768