

## MANAGEMENT REPORT

**Date:** July 14, 2025  
**To:** Mayor and Council  
**From:** Mandy Koroniak, Manager of Children's Services  
**Report Number:** COU25-077  
**Attachments:** Value-for-Money Audit of Anne Hathaway Day Care Centre

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**Title:** Value-for-Money Audit of Anne Hathaway Day Care Centre

**Objective:** To provide Council with an update regarding the completed Value-for-Money Audit of Anne Hathaway Day Care Centre.

**Background:** In its 2024 Canada-Wide Early Learning and Child Care (CWELCC) Guidelines, the Ministry of Education required that Service System Managers (SSMs) that directly operate child care centres retain independent advice and conduct a Value-for-Money audit on their direct delivery of child care services, to be completed by June 30, 2025.

The Ministry stated that the purpose of the Value-for-Money audit is to determine whether federal and provincial funding is being used efficiently and effectively by directly operated centres, and whether childcare services could be more efficiently offered by a third-party provider. SSMs are responsible for responding to findings and recommendations made by the auditor, including whether the recommendations will be implemented. The audit report, including management responses, must be posted publicly. The Ministry further indicated that funding would not be withheld or adjusted based on the findings of the audit but that they may follow-up on the implementation of the recommendations received and the management responses.

The City of Stratford retained the Beam Group to conduct its Value-for-Money audit of the Anne Hathaway Day Care Centre (AHDC), which was completed in June 2025.

**Analysis:** The Value-for-Money Audit of the AHDC evaluated both the financial and non-financial outcomes associated with the centre and reviewed the efficiency and effectiveness of the centre. The audit included the following data collection activities: online surveys of parents, caregivers, and child care centre staff across Stratford, St. Marys, and Perth County, 10 semi-structured interviews with key stakeholders, facilitated workshop with AHDC staff, review of administrative and financial data,

including an efficiency analysis with 6 community-based child care centre comparators, and a literature review.

The audit report contains ten recommendations, with the following themes: strengthening equity and inclusion, increasing access, improving accessibility, enhancing impact through capacity building, strengthening alignment on required supports and resources, improving integration, and parental feedback. The full recommendations and management responses are detailed in the report and the Social Services Department has established a working group to action recommendations of the report.

### **Financial Implications:**

#### **Financial impact to current year operating budget:**

There are no direct impacts on the current operating budget because of this report.

#### **Financial impact on future year operating budget:**

There are no direct impacts as result of the report, however actioning some of the recommendations could lead to financial impact, which would first be brought forward for Council consideration.

### **Alignment with Strategic Priorities:**

#### **Work Together For Greater Impact**

This report aligns with this priority as the Children's Services Division and Anne Hathaway Day Care Centre work to plan for and support access to affordable, high-quality licensed childcare.

### **Alignment with One Planet Principles:**

#### **Health and Happiness**

Encouraging active, social, meaningful lives to promote good health and wellbeing.

#### **Equity and Local Economy**

Creating safe, equitable places to live and work which support local prosperity and international fair trade.

**Staff Recommendation: THAT the report titled, "Value-for-Money Audit of Anne Hathaway Day Care Centre" (COU25-077), be received for information.**

<b>Prepared by:</b>	Mandy Koroniak, Manager of Children's Services
<b>Recommended by:</b>	Kim McElroy, Director of Social Services
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