

2014 FAMILY & COMMUNITY SUPPORT SERVICES (FCSS) CALGARY REVIEWS

EXECUTIVE SUMMARY

This report provides an update on Family & Community Support Services (FCSS) funding allocations for 2013 and presents recommendations for FCSS funding for 2014-2016.

FCSS is a joint municipal-provincial funding program that partners with community agencies, City business units and other funders, to fund preventive social services that support and enhance the lives of vulnerable and at-risk Calgarians. Community & Neighbourhood Services provides leadership to Calgary's FCSS program.

The FCSS program continues to implement Council's Social Sustainability Framework by directing funds to two priorities: increasing social inclusion for vulnerable Calgarians and strengthening neighbourhoods to prevent concentrations of poverty. In 2013, FCSS funded 122 social inclusion programs that collectively served more than 90,000 Calgarians.

The provincial grant to FCSS has remained the same for five years, while the population has increased considerably. The gap between the need for preventive services and the capacity of FCSS to meet the demand is ever widening. For 2014 funding, 77 agencies requested \$36,383,010 of an available \$31,403,956, resulting in a gap of \$6,398,594. This represents only requests submitted from FCSS funded agencies.

Factors such as an aging population, increased financial vulnerability, more immigrants and the impact of the flood mean that the need will only continue to grow. The funding recommendations outlined in this report reflect Council's bold leadership in 2012 in response to this growing gap. They are designed to ensure that at-risk Calgarians receive the support they need to address problems at the earliest possible point – before they escalate into serious issues such as crime, violence, neighbourhood deterioration and poverty.

ADMINISTRATION RECOMMENDATION(S):

That the SPC on Community & Protective Services recommend that Council:

1. Approve the FCSS Sustainability Forum Terms of Reference (Attachment 4);
2. Approve the 2014-2016 Family and Community Support Services Program Funding allocations identified in Attachment 5 (\$23.6 million to 56 agencies in 2014, \$8.7 million to 27 agencies in 2015, and \$6.3 million to 15 agencies in 2016); and
3. For the purposes of one-time emerging issues and capacity-building needs of funded agencies in accordance with the Family and Community Support Services Policy, authorize Administration to access up to \$1 million from the Family and Community Support Services Stabilization Fund, effective from the date of Council approval through to the date Council next considers Family and Community Support Services funding allocations.

RECOMMENDATIONS OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES (FAMILY AND COMMUNITY SUPPORT SERVICES BOARD), DATED 2014 MARCH 05:

That Council:

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1. Approve the FCSS Sustainability Forum Terms of Reference (Attachment 4);
2. Approve the 2014-2016 Family and Community Support Services Program Funding allocations identified in Attachment 5 (**\$23.5** million to 56 agencies in 2014, \$8.7 million to 27 agencies in 2015, and **\$6.2** million to 15 agencies in 2016);
3. For the purposes of one-time emerging issues and capacity-building needs of funded agencies in accordance with the Family and Community Support Services Policy, authorize Administration to access up to \$1 million from the Family and Community Support Services Stabilization Fund, effective from the date of Council approval through to the date Council next considers Family and Community Support Services funding allocations; and
4. **Request that Mayor Nenshi formally request that the Government of Alberta review FCSS funding and consider both an increase and an indexing formula.**

Excerpt from the Minutes of the Special Meeting of the SPC on Community and Protective Services (Family and Community Support Services Board), Dated 2014 March 05:

“APPROVE, Moved by Councillor Chabot, that the Administration Recommendations contained in Report CPS2014-0140 be approved, **after amendment**, as follows:

That the Legislative Assistant attach all public submissions and distributions received, to the Report, prior to being forwarded to Council.

CARRIED”

PREVIOUS COUNCIL DIRECTION / POLICY

FCSS has presented annual reports to Council for 47 years. Council received the most recent FCSS annual report on 2013 March 11 (CPS2013-0116).

On 2011 November 21, as part of 2012-2014 Business Plan and Budget Coordination, Council directed an increase to the mill rate contribution to FCSS in the amount of \$1.7 million for each of the years 2012, 2013 and 2014 (C2011-73). This allocation brings the current approved municipal match ratio of mill rate funds to Calgary’s FCSS program to 30 per cent.

In 2010, Council approved the Terms of Reference for the FCSS Sustainability Forum for a period of two years (CPS2010-20).

On 2008 November 03, Council directed FCSS to implement the Social Sustainability Framework (CPS2008-89), and on 2003 April 07 Council directed the establishment of the FCSS Stabilization Fund (CPS2003-26).

BACKGROUND

The City has partnered with the Government of Alberta in providing support to vulnerable and at-risk Calgarians since the launch of the Preventive Social Services Act in 1966. The FCSS

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program is a joint provincial and municipal program governed by the FCSS Act and Regulations (Attachment 1). Its purpose is to support and fund preventive social services. Legislation requires participating municipalities to match the provincial funding at a minimum ratio of 20 per cent municipal and 80 per cent provincial funding.

In Calgary, Community & Neighbourhood Services (CNS) provides the leadership to the FCSS program. This program has enabled the creation of a strong network of not-for-profit agencies, and CNS-led programs and services, working to prevent vulnerable and at-risk children, youth, seniors, and families in Calgary from facing serious and destructive social issues.

In 2008, a comprehensive research and consultation process led to the development of the Social Sustainability Framework, which is a 10-year strategy with two overarching priorities: increasing social inclusion for vulnerable Calgarians, and strengthening neighbourhoods to prevent concentrated poverty. Vulnerable Calgarians in this context refers to immigrants, Aboriginal peoples, children and youth, families and seniors. The 10-year time frame recognizes that complex overarching issues endure and time is required to address them and effect change.

In 2012, Council recognized that agencies were facing difficulties maintaining staff and meeting increased demand for their services in difficult economic times. Council responded by expanding its investment in FCSS by five per cent. The additional funding (\$1.7 million) was allocated to 42 high-quality agencies and programs that were challenged financially, and to nine agencies to grow existing exemplary programs.

To be eligible for FCSS funding, programs and services must:

- Be consistent with Council's funding priorities (increasing social inclusion and strengthening neighbourhoods to prevent concentrated poverty);
- Be consistent with the FCSS Act and Regulation;
- Be collaborative and not duplicate existing programs;
- Use evidence-based best or promising practices;
- Report progress using defined indicators of social inclusion or strong neighbourhoods; and
- Demonstrate sound administration and governance practices.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The FCSS program provides a flexible and versatile vehicle for The City to continue to deliver preventive social services as the population grows, demographics change, demand for services increases and social concerns become more complex. Recent analysis of Calgary's demographic trends shows an aging population, increased financial vulnerability, more immigrants coming to Calgary and the importance of building strong neighbourhoods to ensure citizen well-being. FCSS-funded programs supply vital threads in the fabric of healthy communities within a context of increasing social pressures faced by our growing and changing city.

In 2013, FCSS funded 122 programs in 79 agencies that collectively served more than 90,000 Calgarians. Attachment 2 reports on Calgary's 2013 FCSS program and its community impact.

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Through a thorough review process, each agency and program is reviewed for organizational strength and program impact which results in FCSS funding recommendations. The size of an FCSS allocation to an agency is influenced by several factors:

- The quality of the program and the strength and capacity of the agency;
- The availability of funds at the time the program was first funded;
- The length of time the program has been running and access to funding opportunities over time.

FCSS directs funds to two key priorities:

1. Increasing Social Inclusion: Reach and Impact

Social isolation is associated with family instability and poor parenting, challenges obtaining and maintaining employment, lack of civic engagement, and physical and mental health problems.

In 2013, the agencies that FCSS funded supported more than 90,000 Calgarians, through programs intended to strengthen their families, their economic self-sufficiency, their social ties, and in the case of children and youth, their development.

In 2013, FCSS programs achieved statistically significant positive change on 17 social indicators, according to FCSS data-tracking. A measurable difference was made in areas such as increased family cohesion, improved parenting skills, increased self-esteem and sense of belonging among children and youth, increased youth engagement in the community, improved functional life skills and enhanced social ties. For example, measurements showed a 17.6 per cent improvement in 157 FCSS program participants who now save money each month for education, retirement or a major purchase such as a home or car. Parent program participants report hugging their children or snuggling with them more often; and youth program participants say they feel they have more control over things that happen to them.

2. Strengthening Neighbourhoods to Reduce Concentrated Poverty: Reach and Impact

Spatially-concentrated poverty is associated with many serious problems, including neighbourhood decline, isolation, stigmatization, social disorder, crime and fear of crime, individual and family isolation, poor child and youth development, religious and cultural tensions, lack of civic participation and volunteering, low social and personal capital, poor health, earlier mortality as well as poverty and social exclusion, all of which can be interrelated.

In 2013, the FCSS-funded Strong Neighbourhood Initiative (SNI) made a significant difference in Calgary. One-hundred-fifteen neighbourhood-level initiatives took place supported by CNS staff and \$54,500 in neighbourhood-improvement grants were allocated. These funds then leveraged an additional \$45,405 from other sources including The Calgary Foundation, local organizations and in-kind donations. In addition, as a result of neighbourhood initiatives, 282 residents became leaders and organizers in eight focus neighbourhoods. These resident leaders can now mobilize other neighbourhood residents to make their communities stronger and more active. This has resulted in energized communities where people connect with one another to access the resources they need and create the kinds of communities they want. Neighbourhoods that were at risk of developing serious social problems and higher poverty levels saw more volunteers, more accessible programs, services and amenities and increased local economic development. When neighbourhoods thrive, the people who live there thrive too.

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2014 Agency Theories of Change and Social Inclusion Indicators

“Theory of Change” statements are an effective approach to identify program needs, goals, strategies and the rationale for the program. Attachment 3 provides an overview for how each agency in 2014 intends to address community needs and align with the FCSS goals of social inclusion and strengthening neighbourhoods. Agencies demonstrate their commitment to effectiveness by using best or promising practices and by monitoring their results through the common indicators necessary for collective impact. The funding recommendations for 2014-2016 are outlined in the Financial Capacity section of this report.

Calgary Flood 2013

According to post-flood impact surveys that Calgary Council of Voluntary Organizations (CCVO) and Propellus conducted, the flood that Calgary experienced June 2013 had short and long-term repercussions for Calgary non-profit organizations. Survey results were based on over 160 responses. Many social service organizations reported increases in demand for services. In addition, they experienced damaged facilities, equipment and inventory. They also reported lost revenue as a result of cancelled fundraising events and programs, as well the diversion of charitable donations to flood relief. Many anticipated that the overall capacity of donors to give would be reduced, but the extent to which this has transpired has not yet been determined.

In addition, FCSS Calgary surveyed its funded agencies. The results align with those of the CCVO-Propellus study, with over 70 per cent of agencies reporting increased demand for service and decreased charitable donations. In November and December 2013, agencies reported a drop in their usual revenues and donations from fundraising. Additionally, FCSS-funded agencies played a key role in responding to financial, housing and social concerns of citizens affected by the flood. FCSS will continue to follow up with agencies and work with other funders and community members to lessen difficulties where possible.

FCSS Sustainability Forum

The purpose of the FCSS Sustainability Forum is to provide an opportunity for FCSS board members, FCSS funded agencies and other stakeholders to work together to develop strategies that address the financial and systemic issues affecting the FCSS program locally and to contribute to similar efforts provincially.

In 2010, the SPC on Community & Protective Services approved Terms of Reference for the Sustainability Forum for a two-year term (CPS2010-20). Administration requests that Council approve the updated Terms of Reference as the previous two year term has ended (Attachment 4). Given the increasing gap between the amount of funds available for FCSS programs and the amount needed for preventive social programs, the work of the FCSS Sustainability Forum to address issues is more important than ever.

Stabilization Fund

The FCSS Stabilization Fund was established in 2002 to ensure that any new and/or unallocated dollars were held until they could be assigned to future FCSS programs in priority areas. Agencies with an ongoing relationship with the FCSS program are given priority to access the FCSS Stabilization Fund. Administration reviews one-time capacity-building funding

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applications against specific criteria and agency requirements. At the end of the project or at year-end, agencies report on the impact of the funding they receive.

Stakeholder Engagement, Research and Communication

FCSS undertakes a number of initiatives to cultivate and strengthen its partnerships with the community, funded agencies and funding partners. FCSS Calgary communicates regularly with staff from funded agencies and its Agency Advisory Group to enhance its effectiveness. FCSS also works in partnership with other funders such as United Way of Calgary & Area, Alberta Child & Family Services Authority, the Calgary Homeless Foundation and The Calgary Foundation to leverage resources and make the best use of available funds.

FCSS conducts an annual agency survey to seek feedback on how it is meeting the expectations of funded agencies and programs. In 2013, staff professionalism received the highest rating (97.5 per cent). This result speaks directly to the work of Administration in ensuring the programs delivered to Calgarians align to best or promising practices and to the ongoing support provided to partner agencies.

Stakeholders are further engaged through the FCSS Sustainability Forum, discussed above.

Strategic Alignment

The FCSS funding program supports Council's Fiscal Plan for Calgary (2012-2014) by: "Ensuring every Calgarian lives in a safe place and has the opportunity to succeed."

FCSS priorities align with the Calgary 2020 Sustainability Direction in relation to Community Well-Being in the areas of Equity; Diversity, Inclusiveness & Creativity; Healthy & Active City; Safety & Resiliency; in relation to Prosperous Economy in the area of A Focus on People and Communities.

FCSS supports the implementation of the Council approved Social Sustainability Framework.

Social, Environmental, Economic (External)

Social:

FCSS Calgary partners with community agencies, other City business units and funders to ensure that every Calgarian lives in a safe, strong community, has the opportunity to succeed, and can contribute to a vibrant urban fabric. By funding community organizations to increase social inclusion and strengthen neighbourhoods, FCSS Calgary reduces and prevents social problems such as crime, family violence, neighbourhood decline and poverty.

FCSS works in concert with other community initiatives that focus on community well-being such as Fair Calgary and the Calgary Poverty Reduction Initiative (CPRI) to ensure coordinated services and strategies.

Environmental:

FCSS contributes to complete communities through the Strong Neighbourhoods Initiative. Research shows that strong neighbourhoods feature healthy and safe natural and built environments.

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Economic (External):

An investment of \$1 in preventive social services produces a social return on investment of up to \$13 by diverting resources from spending on other more costly services such as policing, justice, mental health and child protection.

Vibrant, socially inclusive communities are more likely to attract and retain the workforce Calgary needs in order to thrive.

Financial Capacity

Current and Future Operating Budget:

2014-2016 FCSS Program Funding Recommendations

Attachment 5 provides 2014-2016 FCSS program funding recommendations for Council approval. The program funding recommendations for Council approval are:

- \$23.6 million to 56 agencies in 2014;
- \$8.7 million to 27 agencies in 2015; and
- \$6.3 million to 15 agencies in 2016.

Attachment 5 also includes for information the previously-approved 2014-2015 FCSS program funding (CPS2013-0116).

The provincial grant to FCSS has remained the same for five years, while the population has increased considerably. The gap between the need for preventive services and the capacity of FCSS to meet the demand continues to widen. For 2014 funding, 77 currently funded agencies requested \$36,383,010. Based on the projected 2014 budget of \$31,403,956, the gap between requests and available funds is \$6,398,594. In the event the 2014 provincial FCSS grant differs than that anticipated for the purposes of this report, Administration will review the implications, determine any consequential recommendations, and report back to Council through the SPC on Community & Protective Services.

These preventive programs address problems at the earliest possible point – before they escalate into serious issues such as crime, violence, neighbourhood deterioration and poverty. Preventive programming is a good investment. Every dollar of mill rate contribution leverages an additional \$6.76 from provincial matching (FCSS) funds and community volunteer and fundraising efforts. Investing in preventive programming also reduces much more costly drain on other City services, such as Calgary Police Services, Fire Department and Animal & Bylaw Services.

FCSS Stabilization Fund (CPS2003-26)

The 2013 one-time allocations from the FCSS Stabilization Fund (CPS2013-0116) are listed in Attachment 2. These grants allowed for one-time capacity-building initiatives in the areas of organizational stability, evidence-based program design and response to emerging issues. In 2013, 24 projects received a total of \$881,318. The available reserve balance at the end of 2013 was \$1.9 million.

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Administration is recommending that Council approve the transfer of \$1 million from the FCSS Stabilization Fund and authorize Administration to use the funds on a one-time basis for emerging community issues and capacity-building needs of funded agencies, according to FCSS policy.

Current and Future Capital Budget:

The FCSS Act and Regulation specifically disallows capital expenditures.

Risk Assessment

The FCSS program's focus on prevention necessitates proactive planning and investment. In sharpening this focus, agency investments that FCSS previously supported may no longer fit within the two funding priority areas of social inclusion and strong neighbourhoods. To mitigate the risk this presents, FCSS has developed a network of partnerships with other funders, agencies and organizations to assist, wherever possible, in re-locating programs and projects that FCSS previously resourced. FCSS is committed to a proactive, rigorous, supportive and transparent process to work with agencies on transition where this is required.

Many agencies have reported to FCSS that they have been experiencing increased demand for services and diminishing revenue from charitable sources. If the 2012-2014 commitment of municipal support is not renewed for Action Plan 2015-2018, there is a risk that some agencies will no longer receive funding to operate prevention programs. They will have to significantly reduce services and cut programs, resulting in people not getting the assistance they need to prevent more serious and costly problems in the future.

REASON(S) FOR RECOMMENDATION(S):

Population growth, changing demographics, increased demand for services, and more complex and interrelated social concerns demand that FCSS Calgary maintain its focus on measurably increasing social inclusion for Calgarians, on strengthening neighbourhoods to prevent concentrated poverty and on providing a strong network of preventive social services. The information and recommendations in this report position The City to achieve these objectives.

ATTACHMENT(S)

1. FCSS Regulation - Program Definition
2. 2013 Report on Calgary's FCSS Program
3. 2014 Agency Theories of Change and Social Inclusion Indicators
4. FCSS Sustainability Forum Terms of Reference
5. 2014-2016 FCSS Program Funding Recommendations and FCSS Previously-Approved Program Funding Summary for 2014-2015
6. **Submissions/distributions**