

Community Services Report to
Community Development Committee
2023 October 02

ISC: UNRESTRICTED
CD2023-0953

Family and Community Support Services Funding Increase and Recommendations

PURPOSE

The Government of Alberta has announced an increase of funding to the Family and Community Support Services (FCSS) Calgary Program starting in 2023, this report provides recommendations on how to allocate the funding increase in 2023 and 2024, and to access the FCSS Stabilization Fund in 2024.

PREVIOUS COUNCIL DIRECTION

- In February 2023 (CD2023-0004), Council approved the recommended FCSS allocations of \$30.1M in 2023 and \$40.1M in 2024 and authorized up to \$750,000 from the FCSS Stabilization Fund to support non-profit organizations for emerging social issues and capacity-building initiatives.
- Every year, Administration seeks authorization from Council, as per the FCSS Policy, on funding allocations and to access the FCSS Stabilization Fund.

RECOMMENDATION:

That the Community Development Committee recommend that Council:

1. Approve the placement of the anticipated additional \$1M of FCSS funding from the Government of Alberta for 2023 into the FCSS Stabilization Fund;
2. Approve the funding allocation of the anticipated additional \$1.3M of FCSS funding from the Government of Alberta for 2024 across currently funded programs as detailed in Attachment 2; and
3. Authorize Administration to access up to \$1.5M from the FCSS Stabilization Fund in 2024 to fund non-profit organizations for emerging social issues and capacity-building initiatives.

RECOMMENDATION OF THE COMMUNITY DEVELOPMENT COMMITTEE, 2023 OCTOBER 2:

That Council:

1. Approve the placement of the anticipated additional \$1M of FCSS funding from the Government of Alberta for 2023 into the FCSS Stabilization Fund;
2. Approve the funding allocation of the anticipated additional \$1.3M of FCSS funding from the Government of Alberta for 2024 across currently funded programs as detailed in Attachment 2; and
3. Authorize Administration to access up to \$1.5M from the FCSS Stabilization Fund in 2024 to fund non-profit organizations for emerging social issues and capacity-building initiatives.

CITY MANAGER/GENERAL MANAGER COMMENTS

GM Katie Black concurs with this report.

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HIGHLIGHTS

- In Q4 2023, The City anticipates receiving an additional \$1M from the Government of Alberta for the FCSS Calgary Program.
- In 2024, The City anticipates receiving an additional \$1.3M from the Government of Alberta for the FCSS Calgary Program.
- Allocating the additional \$1M FCSS funds in 2023 to the FCSS Stabilization Fund will increase the resources available to support non-profit organizations to address emerging social issues and build organizations' capacity.
- Allocating the additional \$1.3M FCSS funds in 2024 across the 155 programs that currently receive FCSS funding will help organizations respond to increasing operational costs, including staff recruitment and retention, thereby strengthening the programs provided to Calgarians.
- Accessing up to \$1.5M from the FCSS Stabilization Fund in 2024 to address emerging social issues and capacity-building needs will increase the non-profit sector's responsiveness and adaptability in delivering social programs to Calgarians.
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

Through the FCSS Program partnership, the Government of Alberta funds a maximum of 80 per cent of the program cost, and participating municipalities contribute a minimum of 20 per cent. The program is provided in accordance with the provincial FCSS Act (Attachment 3), FCSS Regulation (Attachment 4), along with Calgary's FCSS Policy (Attachment 5) and FCSS Funding Framework (Attachment 6).

The Government of Alberta's Budget 2023 allocated \$105M through FCSS to municipalities to develop and deliver preventive social service programming. This has resulted in an anticipated increase to the provincial contribution of FCSS Calgary's budget of \$1M (2.3% increase) in 2023, and \$1.3M (3.2% increase) in 2024. As per the FCSS Policy, in the event of an increase or decrease of more than one per cent in the FCSS Calgary budget, Administration will make recommendations to Council, taking into consideration the size of the change and the existing need in the community.

2023 and 2024 FCSS Funding Increase

There is a demonstrated need in the community for more preventive social service funding. This is evidenced by the demand from the most recent FCSS call for funding proposals, which exceeded the available funding by \$20M. A similar trend was seen with funding requests from the 2023 Capacity Building Fund which exceeded available funds by \$5.5M. The impact of inflation and staff turnover also add to the community's need for additional funding.

Administration anticipates that the 2023 increase of \$1M will be received in Q4 2023. Given the timing of the anticipated receipt of the funds, Administration recommends placing the \$1M from 2023 into the FCSS Stabilization Fund, to be accessed in 2024.

The anticipated further increase of \$1.3M FCSS funds for 2024 is recommended to be added into the existing 2024 FCSS allocations of \$40.1M, as detailed in Attachment 2, for a total

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annual allocation of \$41.4M. This would be administered via a 3.2 per cent increase to all FCSS-funded programs in 2024 to address increasing costs faced by organizations.

2024 Capacity-Building Fund

As per the FCSS Policy (Attachment 5) Administration is seeking Council's approval to access up to \$1.5M from the FCSS Stabilization Fund to support one-time capacity-building initiatives and other projects that respond to emerging social issues in 2024. The current balance of the FCSS Stabilization Fund Reserve is \$4.9M.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required |

Administration makes its recommendations through consultation with the Ministry of Seniors, Community and Social Services at the Government of Alberta, the FCSS Calgary Forum, and interactions with non-profit organizations. Regular assessments of funded organizations conducted by Administration have shown that there is a need for capacity-building support.

IMPLICATIONS

Social

The proposed funding allocations aid in mitigating the impacts of inflation and rising costs for funded non-profit organizations, and in addressing emerging issues to ensure effective service delivery. The recommendations align to the FCSS Policy (CP2016-05), Investing in Partnerships Policy (CP2017-01), and Social Wellbeing Policy (CP2019-01).

Environmental

The City allocates FCSS funding to programs and initiatives that contribute to its long-term outcome of increased social inclusion of people experiencing vulnerabilities. Increasing social inclusion results in a variety of positive outcomes that ensure Calgarians contribute to a healthy and resilient environment.

Economic

Investments in preventive programs means resources can be diverted from more costly late-stage interventions such as justice or enforcement services. In addition, a \$1 investment from The City leverages an additional \$8.76 from the Government of Alberta and the community.

Service and Financial Implications

No anticipated financial impact

No additional funds are required from Council. Through this anticipated provincial allocation increase, the annual FCSS Calgary budget will be \$41.4M. The City's contribution of \$10.4M will represent 25 per cent of the FCSS Calgary budget, which is in alignment with the FCSS Policy.

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RISK

FCSS-funded programs will not see an increase in 2023. However, the additional funds anticipated for 2023 will be allocated to the FCSS Stabilization Fund and will be available to the community in 2024.

The 2024 increases are unlikely to address all financial pressures. This will be mitigated by allowing organizations to direct the additional funds to eligible expenses they deem most necessary.

The \$1.5M from the FCSS Stabilization Fund will not be sufficient to meet the demand for all one-time capacity-building initiatives in 2024. This will be mitigated through a robust funding review process by assessing initiatives for greatest sustainable impact.

ATTACHMENTS

1. Background, Previous Council Direction
2. 2024 FCSS Funding Recommendations
3. FCSS Act
4. FCSS Regulation
5. FCSS Policy
6. FCSS Funding Framework
7. Presentation
8. **Public Submission Received at Committee**

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Not applicable		

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