

2018-2020 FAMILY AND COMMUNITY SUPPORT SERVICES FUNDING RECOMMENDATIONS

EXECUTIVE SUMMARY

This report presents the Family and Community Support Services (FCSS) funding recommendations for 2018 to 2020. FCSS is a provincial/municipal partnership that provides funding for preventive social programs. FCSS has been operating in Calgary since its inception in 1966, to enhance the lives of vulnerable Calgarians and to strengthen the communities in which we live.

FCSS is administered by Calgary Neighbourhoods as part of a continuum of prevention funding streams that includes the Crime Prevention Investment Plan and the Emergency Resiliency Fund. Together, these funding streams provide critical resources to the non-profit sector to deliver a range of preventive programs in a complementary manner.

FCSS is guided by the Social Sustainability Framework, a 10-year strategy approved by Council in 2008. The funding recommendations in this report are based on that framework, as well as on the FCSS Act and Regulation. Recommendations for funding agreement length vary from one to three years, depending on where the program is in a three-year funding cycle.

Through this report, Administration is also seeking Council's authorization to access up to \$750,000 from the FCSS Stabilization Reserve to strengthen the capacity of non-profit organizations, as well as to respond to emerging social issues. The weakened economy in the last three years has resulted in continued economic and emotional hardship for many Calgarians. An infusion of one-time funds increases the non-profit sector's efficiency and effectiveness in delivering evidence-informed preventive social programs to Calgarians and in responding to emerging social issues.

ADMINISTRATION RECOMMENDATIONS

Administration recommends that the SPC on Community and Protective Services recommend that Council:

1. Approve the recommended FCSS allocations of \$8 million for 2018, \$3.7 million for 2019 and \$1.2 million in 2020, as detailed in the Attachment; and
2. Authorize Administration to access up to \$750,000 from the FCSS Stabilization Reserve in 2018 for the purpose of funding capacity-building initiatives and responding to emerging social issues.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2016 November 30, Council approved the FCSS allocations of \$7.8 million for 2017, \$6.6 million for 2018 and \$6.3 million for 2019 and authorized Administration to access up to \$1 million from the FCSS Stabilization Reserve in 2017 for the purpose of funding organizations for one-time capacity building projects and emerging issues (CPS2016-0827).

On 2016 September 07, Council approved the FCSS funding recommendations from the 2016 Call for Funding Proposals (CFP) in the amount of \$3.4 million to 34 organizations in 2016 and \$5.4 to 29 organizations in 2017 (CPS2016-0710).

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On 2016 June 20, Council approved an updated policy for FCSS (CPS2016-0397), which streamlined the way in which FCSS is administered in Calgary. Through this report, Council committed to contributing 25 per cent of the overall FCSS Calgary budget and approved the allocation of \$1.25 million (\$250,000 in 2016, and \$500,000 in each of 2017 and 2018) from the Stabilization Reserve for the purposes of maintaining the municipal contribution to the FCSS budget for 2016 to 2018, until the next City budget cycle.

On 2014 December 01, as part of *Action Plan 2015-2018*, Council confirmed its commitment to FCSS by sustaining, as part of Community & Neighbourhood Services base operating budget, the municipal contribution at 30 per cent of the overall FCSS budget for a total of \$9.4 million annually (C2014-0863).

On 2008 November 03, Council directed FCSS to implement the Social Sustainability Framework (CPS2008-89). This Framework established FCSS funding priorities: increasing social inclusion for vulnerable Calgarians and strengthening neighbourhoods to prevent the concentration of poverty in Calgary.

On 2003 April 07, Council directed the establishment of the FCSS Stabilization Reserve Fund (CPS2003-26) to cover any shortfalls in case the provincial FCSS allocation is less than expected in any given year, and for the purpose of building the capacity of funded agencies as well as responding to emerging issues.

BACKGROUND

FCSS is administered by Calgary Neighbourhoods as part of a continuum of prevention funding streams that includes the Crime Prevention Investment Plan and the Emergency Resiliency Fund. For FCSS, The City has partnered with the Government of Alberta to provide preventive social programs to vulnerable Calgarians since the launch of the Preventive Social Services Act in 1966 (later renamed Family and Community Support Services Act). FCSS programs are governed by the FCSS Act and Regulation. Through this partnership, the province funds a maximum of 80 per cent of the cost of the program and participating municipalities must contribute a minimum of 20 per cent of the cost. As per the Council Policy on FCSS, The City of Calgary maintains a 25 per cent contribution level.

One of the cornerstones of FCSS is the provision that allows participating municipalities autonomy in determining the local priorities for funding. As such, Calgary City Council approved the Social Sustainability Framework in 2008 to guide FCSS funding investments in two areas: increasing social inclusion and strengthening neighbourhoods. Within these two overarching priorities, funding is directed to programs that strengthen the wellbeing of children, youth and families; increase social connection and financial stability among vulnerable Calgarians; and create inspiring neighbourhoods. As the Framework approaches the end of its 10-year mandate, Administration is updating the funding framework to encompass all of the prevention funding streams.

To be eligible for FCSS funding, programs must be consistent with the FCSS Act and Regulation, and align with the Social Sustainability Framework. They must collaborate with

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others to ensure a continuum of preventive services exists in Calgary, and avoid duplication in service provision. They must use evidence-informed best or promising practices and the organizations delivering these programs must demonstrate sound administrative and governance practices. In addition, FCSS funds must be spent according to the FCSS Funding Agreement.

The FCSS Stabilization Reserve was established in 2003 to hold unallocated funds resulting from provincial increases at year end. It is used to cover any shortfalls in case the provincial allocation is less than expected in any given year, as well as to support capacity-building initiatives and respond to emerging social issues. Recently, the reserve has been accessed by organizations seeking to strengthen their governance structures and program designs, but also organizations that helped newcomers and families impacted by the economic downturn.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration conducts regular reviews of all its funding programs to ensure alignment to Council priorities, response to community issues and impact on Calgarians. The FCSS funding recommendations in this report are based on a review of organizations and programs with funding agreements ending in 2017. These include:

- programs that were funded for the 2015 to 2017 period as part of the regular, multi-year funding process. Conducting triennial reviews reduces the administrative burden for organizations, and contributes to increased predictability, enabling better long-term planning.
- programs that were funded for one year through the 2016 Call for Funding Proposals, which was conducted as a result of increased funding from the province. Allocating single-year funding to new programs enables Administration to assess the impact of the program in the community before considering multi-year funding.

The reviews assessed the organizations' effectiveness in delivering programs and collaborating with others, as well as the programs' ability to reach vulnerable Calgarians and impact the community. In addition, programs had to demonstrate the use of best or promising practice research and had to report progress using defined indicators of social inclusion or strong neighbourhoods.

Programs that meet all review criteria are recommended for up to three years of funding. If concerns are identified during the review process, one year of conditional funding is recommended, and the organization must demonstrate by August of the funding year that it has met the condition. In the event that the condition is not met, funding will not be recommended beyond the conditional year.

In total, 50 programs were reviewed this year:

- 17 programs were reviewed as part of the regular multi-year funding process as they had a funding agreement ending in 2017. Three of the 17 are recommended for one year of conditional funding, and 14 are being recommended for a funding term, based on the date of other funding agreements with the organization;

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- 33 programs that received funding as a result to the call for funding proposals in 2016 are recommended for either one or two years of funding based on alignment with existing FCSS funding agreements for their organization or to bring them into a three year cycle.

Access to the FCSS Stabilization Reserve enables Administration to build the capacity of the non-profit sector in delivering evidence-informed preventive social programs to Calgarians. Administration also uses the reserve to respond to emerging social issues. One-time funding enables the non-profit sector to become more resilient and responsive to the evolving needs of Calgarians as the city's economic outlook changes.

Stakeholder Engagement, Research and Communication

Administration undertakes various stakeholder engagement and research activities to inform the funding recommendations contained in this report. Through this year's multi-year funding reviews, Administration engaged in robust discussions with board members and staff of 50 non-profit organizations.

Administration assesses the impact of its FCSS funding through the use of standardized surveys of social inclusion and strong neighbourhoods. The survey results are rolled up, analysed and communicated back to the organizations to improve the design and impact of the programs. This continuous cycle of data analysis and program delivery ensures that Calgarians are provided with evidence-based programs that meet their needs.

The FCSS Calgary Forum established in 2016, provides a platform for Administration to work collaboratively with the non-profit sector. The Forum members provide input into the operation of FCSS Calgary, increase awareness of preventive social services and advocate on policy and financial issues.

In addition, through periodic newsletters and an annual satisfaction survey, Administration maintains a continuous flow of relevant communication with its partner organizations. Timely and relevant communication enables organizations to have the information they need to maintain their preventive program effectiveness, while providing input into Administration's contracting and reporting practices.

Strategic Alignment

FCSS supports the Council Priorities of a *Prosperous City* and a *City of Inspiring Neighbourhoods* by partnering with other levels of government and not-for-profit organizations to achieve community well-being.

The two FCSS priorities also align with the Calgary 2020 Sustainability Direction in relation to Community Well-Being and Prosperous Economy.

FCSS supports the implementation of the Social Sustainability Framework by investing in evidence-based programs and services that contribute to increasing social inclusion and strengthening neighbourhoods.

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The FCSS service delivery model, which builds on the knowledge, expertise and leveraging power of non-profit organizations, aligns with the *Investing in Partnerships Policy* and its guiding principles.

Finally, as a partner in the *Enough for All Poverty Reduction Strategy*, FCSS invests in programs that address all four pillars of the Strategy: Strong Communities; Indigenous Strategies; Support and Services; and Income and Assets.

Social, Environmental, Economic (External)

The programs recommended for funding through this report increase the social inclusion of vulnerable individuals and families, and contribute to inspiring neighbourhoods where the impacts of social isolation and poverty are mitigated.

FCSS allows The City to engage citizens in solving problems, strengthening neighbourhoods, and addressing social issues before they escalate. FCSS contributes to complete communities through investments in community development and in the capacity of residents to mobilize and take action to improve their neighbourhoods. Mobilized residents improve natural and built environments, increase access to programs, services and amenities, and contribute to thriving local economy.

The return on investment in preventive social programs is significant. Studies have estimated that every dollar invested yields a return of up to \$13 by diverting resources from more costly services such as policing, justice, and mental health. Strong communities where residents experience a sense of belonging, attract a talented workforce that Calgary's economy needs to recover and thrive.

Financial Capacity

Current and Future Operating Budget:

Recommended allocations for FCSS preventive social program funding will be through the previously-approved operating budget.

The funds recommended from the FCSS Stabilization Reserve will have no present or future impact on the operating budget.

Current and Future Capital Budget:

The recommendations in this report will not have any present or future capital budget impacts.

Risk Assessment

There is a risk that in the long term, funding for preventive social service programs is not adequate. To ensure sufficient funding for preventive social programs into the future, Administration will continue to support Council's advocacy for an FCSS funding formula that is indexed to inflation. A funding formula that is indexed to inflation would limit the risk of demand exceeding available resources. Administration will support Council's continued work with community partners and other FCSS programs across the province to advocate for sustained funding from the Government of Alberta.

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REASONS FOR RECOMMENDATIONS:

FCSS is one of the funding streams administered by Calgary Neighbourhoods, as part of a continuum of prevention investments in social programs. It has been in operation for over 50 years and has a solid track record of preventing a myriad of social problems before they escalate requiring more costly intervention programs such as policing and justice. The programs recommended for FCSS funding have been assessed through rigorous measures of efficiency and effectiveness. Council's approval of funding for these programs will ensure Calgarians have access to essential preventive social support.

Access to the FCSS Stabilization Reserve Fund for the purpose of one-time investments will enable non-profit organizations to increase their capacity in delivering prevention programs and in responding to emerging social issues. A network of strong and responsive non-profit organizations enables The City to extend its reach in the delivery of essential preventive social programs.

ATTACHMENT

2018-2020 Family and Community Support Services Funding Recommendations