

## **2016-2017 FAMILY & COMMUNITY SUPPORT SERVICES (FCSS) FUNDING RECOMMENDATIONS FROM THE 2016 CALL FOR FUNDING PROPOSALS**

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### **EXECUTIVE SUMMARY**

This report presents Family & Community Support Services (FCSS) funding recommendations for 2016 and 2017 in response to the recent Call for Funding Proposals (CFP) which closed 2016 May 05. The CFP received 190 proposals representing over \$24 million in requests. Proposals were reviewed through a rigorous process, including stakeholder engagement, extensive communications efforts, input from external reviewers and guidance from subject matter experts.

FCSS is a joint municipal/provincial prevention program established in 1966 that supports and funds community organizations and City programs to deliver preventive social services to enhance the lives of vulnerable Calgarians. Calgary Neighbourhoods (CN) administers and provides leadership to the FCSS funding program for The City of Calgary.

After several years without increases in funding, the Government of Alberta demonstrated its strong commitment to preventive social services by providing a funding increase of \$25 million to the FCSS program province-wide in 2015; FCSS Calgary's share was \$7.7 million. A table detailing the funds available and recommended allocations is included in the investigation section of this report.

### **ADMINISTRATION RECOMMENDATION**

That the SPC on Community and Protective Services recommends that Council approve the Family & Community Support Services (FCSS) funding recommendations of \$3.24 million to 34 organizations in 2016 and \$5.4 million to 29 organizations in 2017, as identified in the Attachment, using funds from Program 421.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

On 2016 June 20, Council approved an updated policy for FCSS (CPS2016-0397), which streamlined the way in which the FCSS program 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 program budget for 2016 – 2018, until the next City budget cycle.

On 2016 January 25, Council received the FCSS funding recommendations (CPS2016-0036) and approved \$27.1 million to 74 organizations in 2016; \$25.4 million to 54 organizations in 2017 and \$25.2 million to 47 organizations in 2018. Council also approved \$2.1 million to 72 organizations as a retroactive adjustment to base, paid as a one-time allocation from the FCSS Stabilization Reserve.

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.

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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. The stabilization reserve fund ensures that new infusions of funds can be carefully and strategically assigned to priority areas and that community agencies have time to develop programs in a well-planned and sustainable way.

FCSS has presented funding recommendations to Council annually since the establishment of the program in 1966.

### **BACKGROUND**

The FCSS program is a joint provincial/municipal program governed by the FCSS Act and Regulation. The purpose of FCSS is to support and fund preventive social services. Funding priorities are determined at the local level by the participating municipality.

After several years without increases in funding, the Government of Alberta demonstrated its strong commitment to preventive social services by providing a funding increase of \$25 million to the FCSS program province-wide in 2015. As a result, FCSS Calgary saw an increase of \$7.7 million in base funding from the province. In 2016 June, to maintain Calgary's 25/75 cost-share ratio, Council approved an increase to the municipal contribution of \$250,000 for the remaining half of 2016 (representing an increase for half of 2016) and \$500,000 in both of 2017 and 2018, to be drawn from the FCSS Stabilization Reserve. The resulting increase to the FCSS budget is \$7.95 million in 2016 and \$8.2 million in 2017.

On 2016 January 25 Council approved allocations for \$2.8 million of this increase to existing FCSS funded organizations. The remaining \$4.9 million in new funds from the province, augmented by a municipal contribution of \$500,000 approved 2016 June 20, represents \$5.4 million in new funding available for allocation for the full calendar year of 2017.

### **Call for proposals (CFP)**

Administration conducted a three-stream CFP from 2016 April 04 to May 05. The three streams of funding were for FCSS, Crime Prevention Investment Plan (CPIP) and Emergency Resiliency Fund (ERF). CPIP provides seed-funding for projects that address issues related to crime prevention. ERF offered one-time funding from a fund established by Council in 2015 December to help local non-profits and City business units experiencing excess demand as a result of the economic downturn and global events.

Non-profit organizations registered under the Societies Act or the Companies Act in Alberta and operating within Calgary's city limits were eligible to apply to any stream of funding. As outlined in all CFP communications, services not eligible for FCSS funding were referred for assessment under the ERF and CPIP funding criteria, and vice-versa. All applications were reviewed for eligibility under all three streams of funding, regardless of the stream for which the application was submitted.

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Results of ERF allocations were conveyed by memo to Council on 2016 June 21, while recommendations for 2017 CPIP allocations will be brought forward to Council in 2016 November.

In developing the CFP and the funding recommendations contained in this report, FCSS continued to align with the Social Sustainability Framework and Council priorities. The CFP resulted in 190 applications being received, with over \$24 million in requests for funding from FCSS.

To be eligible for FCSS funding, services must contribute to increasing social inclusion of vulnerable Calgarians and/or strengthening neighbourhoods to reduce spatial concentrations of poverty. A consultation process in the first quarter of 2016 while preparing for the CFP validated that investing in these two priority areas remains relevant and impactful in preventing social problems from occurring or addressing them before they escalate into serious issues such as crime, violence, neighbourhood deterioration and poverty.

Funded organizations must be consistent with the FCSS Act and Regulation, work collaboratively, and not duplicate existing services. They must use evidence-based best or promising practices, demonstrate sound administration and governance, and evaluate and report on the impact of their funded services.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The FCSS funding program provides a valuable and predictable method for the delivery of preventive social services. As demographics change and economic challenges arise, demand increases and social concerns become more complex. FCSS funded services provide vital threads in the fabric of thriving, resilient communities. All organizations recommended for funding are well-established with a track record of effective service delivery, organizational strength and financial stability.

### **Evaluation criteria**

Administration undertook a comprehensive review process of the proposals, informed by funder best practices, guidance from other funders familiar with the Calgary context and input from subject matter experts. FCSS social planners reviewed each proposal using a standardized assessment tool, examining the following elements:

- Alignment with Council priorities and the Social Sustainability Framework;
- Alignment with best and promising practices and evidence-based research;
- Applicability to the Calgary context;
- Proposed budget for program activities; and
- Organizational strength and financial stability.

External review panels were asked to assess the short-listed applications through the same standardized screening tools used by social planners, as well as their knowledge of the organizations. The involvement of other funders in the review of applications added rigour and objectivity to the application review process.

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### Recommended allocations

Based on the review process and the funds available, Administration recommends, as outlined in the Attachment:

- \$3.24 million in new funding be allocated in 2016 to 34 organizations to support 41 programs and
- \$5.4 million in new funding be allocated in 2017 to 29 organizations to support 36 programs.

For 2016, Administration recommends new base funding of \$2.7 million be allocated to 29 organizations, plus a one-time allocation of \$540,000 to five organizations that demonstrated excess demand due to the economic downturn or global events, for a total recommendation of \$3.24 million to 34 organizations.

The five organizations recommended for one-time funding in 2016 met both the ERF and FCSS Stabilization Reserve Fund eligibility criteria, and are identified in the attachment with an asterisk after the program name. The 2016 unallocated \$1.91 million provincial funding will be placed in the FCSS Stabilization Reserve Fund for future one-time capacity building initiatives.

For 2017, Administration recommends \$5.4 million be allocated to the 29 organizations recommended for base funding in 2016. Funding after 2017 will depend on the continued availability of funds, the performance of each program and each organization's ability to meet contractual obligations.

The following table summarizes the funding available and the recommended allocations for 2016 and 2017.

Summary of 2016 – 2017 Funding Available and Recommended Allocations

	2016 Funds	2017 Funds
<b>Total Funding Increase</b>	<b>7.95</b> <i>(\$millions)</i>	<b>8.2</b> <i>(\$millions)</i>
Unallocated portion of the provincial increase	4.9	4.9
Unallocated portion of the municipal increase approved in CPS2016-0397 from Stabilization Reserve	0.25	0.5
Base Allocations previously approved through CPS2016-0036 in 2016 January	2.8	2.8
<b>Total Funds Available for Allocation*</b> <i>*total funding increase minus previously-approved allocations</i>	<b>5.15</b>	<b>5.4</b>
	<b>2016</b> <b>Allocations</b>	<b>2017</b> <b>Allocations</b>
Amount recommended for program funding	2.7	5.4
Amount recommended for one-time project funding	0.54	0
Amount to be transferred to the FCSS Stabilization Reserve	1.91	0
<b>Total Funds Recommended for Allocation</b>	<b>5.15</b>	<b>5.4</b>

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### **Stakeholder Engagement, Research and Communications**

To ensure a fair and transparent funding process, a communications strategy was implemented to notify as many prevention-oriented organizations, funders and community stakeholders across Calgary as possible of the CFP. Two information workshops were provided to over 130 people and an online version of the workshop presentation was made available. The CFP webpage was viewed almost 3,500 times, with 950 downloads of the CFP Guidebook.

In order to arrive at funding recommendations, Administration engaged community stakeholders, subject matter experts and other funders. The consultations confirmed the relevance of FCSS funding priorities and helped identify urgent issues based on the Calgary context.

External reviewers, including other funders, assessed short-listed applications using standard tools, and provided their understanding of the applicant organizations' ability to provide the proposed service. In addition to the external review process, short-listed applicants were invited to interviews.

Applicants were informed of Administration's recommendation for funding on 2016 July 27. Requests for reconsideration were scheduled to be heard by the Director of Calgary Neighbourhoods, as per the new Council Policy on FCSS. No organizations requested reconsideration. Twenty-eight organizations requested additional information on the funding recommendations and each was contacted to discuss their application and provide additional information and feedback.

### **Strategic Alignment**

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

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

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

Additionally, as a partner in the Enough for All Poverty Reduction Strategy, The City of Calgary through FCSS invests in prevention-focused services designed to address root causes of poverty using a social justice, prevention lens. Several of the programs recommended for funding support financial empowerment, community development, and Indigenous healing or community economic development, contributing to the four pillars of the Enough for All Strategy: Everyone Can Thrive; Indigenous Strategies; Strong Communities; Supports and Resources.

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### **Social, Environmental, Economic (External)**

#### **Social**

FCSS Calgary partners with community organizations and funders to make it possible for every Calgarian to live in a safe, strong community with the opportunity to succeed and 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.

#### **Environmental**

FCSS Calgary contributes to complete communities through investment in community development by which residents can improve the natural and built environment as well as social connections, access to programs, amenities and services, and local community economic development. When neighbourhoods thrive, residents are less likely to live in homes with environmental issues such as mold, vermin and poor ventilation and more likely to enjoy access to green and local community gathering spaces.

#### **Economic (External)**

An investment of \$1 in preventive local social service programs produces a social return on investment of up to \$13, 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:**

With CPS 2016-0397, for the purpose of maintaining the municipal contribution to the FCSS program budget, Council approved an increase to the municipal contribution of \$250,000 in 2016 (representing an increase for half the year) and \$500,000 for both 2017 and 2018, to be drawn from the FCSS Stabilization Reserve. This funding, as well as the \$4.9 million received from the province, allows for recommended allocations of \$5.15 million in 2016 and \$5.4 million in 2017. In 2016, the recommended allocations include \$1.91 million transferred to the FCSS Stabilization Reserve to support the municipal contribution as outlined above.

The Attachment provides the FCSS program funding recommendations for Council approval. In 2016:

- \$3.24 million to 34 organizations for 41 programs comprised of:
  - \$2.7 million to 29 programs for half a year's funding to support implementation of their funded programs in 2016;
  - \$540,000 to five organizations on a one-time basis to respond to increased demand due to the economic downturn and/or global events. These are marked in the attachment with an asterisk after the program name.

In 2017:

- \$5.4 million to 29 organizations for 36 programs representing a full year of funding.

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### **Current and Future Capital Budget:**

There is no impact on the current and future capital budget, since FCSS is exclusively an operating program.

### **Risk Assessment**

If Council did not approve the funding recommendations, much-needed preventive services would not be available to vulnerable Calgarians and more costly intervention and protective services would likely be required in the future.

In recommending new partner organizations for funding, there is a risk the new organizations may not meet accountability expectations or may not deliver the outcome or impact they were funded to achieve. Mitigation strategies employed by Administration include working closely with funded organizations to ensure programs are being delivered as contracted and outcomes are being achieved. Additionally, as a risk mitigation strategy, FCSS funding is only recommended for 2016 and 2017. Funding after 2017 will depend on the performance of the program and the organization's ability to meet contractual obligations.

As with any competitive process, organizations may not agree with Administration's recommendations. To address this risk, Administration used a consistent set of screening and assessment tools and procedures throughout the review process. Organizations were also given the opportunity to request reconsideration of the recommendation.

### **REASONS FOR RECOMMENDATION:**

All organizations recommended for funding are well-established with a track record for effective prevention program delivery, organizational strength and financial stability and have been considered through a rigorous review process. Investing in prevention at the earliest opportunity has a significant social return on investment. The organizations recommended for funding are excellent investments in prevention for our city.

In addition, the one-time funding recommended for five programs will enhance capacity to reach vulnerable Calgarians, especially those hard-hit by the economic downturn and global events. For those vulnerable citizens, it is particularly important to take a preventive approach and to use resources today to ensure a better tomorrow for all Calgarians.

### **ATTACHMENT**

2016 – 2017 FCSS Funding Recommendations from the 2016 Call for Funding Proposals