

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 4
OF THE REGIONAL
COMMUNITY SERVICES AND HOUSING COMMITTEE
MEETING HELD ON APRIL 10, 2002**

**For Consideration by
The Council of The Regional Municipality of York
on April 18, 2002**

Chair: Mayor T. Taylor

Members: Regional Councillor T. Wong, Vice-Chair
Regional Councillor J. Frustaglio
Regional Chair B. Fisch, ex officio

Staff Present: P. Carlyle, S. Cartwright, D. Norton, S. Patterson, D. Rennie (for M. Dawson), J. Simmons, D. Turcotte, J. Vanderburgh, A. Wells and J. Williams

The Community Services and Housing Committee began its meeting at 2.14 p.m. on April 10, 2002.

**1
COMMUNITY FUND STRATEGY AND PROCESS**

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, March 22, 2002, from the Commissioner of Community Services and Housing:

1. **RECOMMENDATIONS**

It is recommended that:

1. Regional Council approve the Community Fund Strategy and Process to be effective for the 2003 Business Planning cycle.
2. The Commissioner of Community Services and Housing report to Regional Council on an annual basis the details of Community Fund service contracts including purpose of the service contracts, service provider names, locations and amounts paid to the provider.

2. **PURPOSE**

This report seeks the approval of Committee and Council to implement a community funding strategy that will plan, manage, and fund the purchase of community-based services, and will establish accountability criteria and practices.

3. **BACKGROUND**

The Community Services and Housing Department now manages a number of Provincial and Federal funding initiatives that provide services for residents of York Region. These funds include the National Child Benefit, the Ontario Works Performance Bonus, and Homelessness Initiatives. These and other funding initiatives continue to add new community development responsibilities to the Department's mandate.

The Department is recommending a community funding strategy to fairly, equitably, and transparently distribute and manage these programs and funds in the community. The funding strategy is guided by the Human Services Strategy recommendations, which promote necessary, timely funding for human services and support for community capacity building. Also, the strategy is a mechanism that supports the Vision 2026 principles and goals. Vision 2026 states that the Region, working with its partners will respond to people's needs focusing on investment in a broad range of human services, whether it affects the vulnerable, seniors or youth, or targets certain needs such as employment supports and affordable housing.

The Community Fund Strategy establishes a framework within which the Department will manage its expanding role within the community. The strategy establishes processes and mechanisms to respond to community needs, set standards for purchasing services, and acquires services within the context of the Region's Purchasing By-law and related policies.

Two companion documents to this strategy, the Community Funding Policy, and the Community Funding Manual, are being developed for staff to provide direction and detailed administrative practices.

4. ANALYSIS AND OPTIONS

4.1 Current Initiatives

The Department currently manages a number of community funding initiatives. These initiatives represent approximately \$4,000,000 gross funding and \$530,000 net funding in the 2002 budget year. *Attachment 1* highlights the various programs approved under the Community Funding Initiative and provides the total approved budget dollars for the year 2001.

4.1.1 National Child Benefit (NCB)

The National Child Benefit (NCB) was announced in the 1997 Federal budget to help prevent and reduce child poverty and to promote attachment to the workforce.

4.1.2 Ontario Works Placement Targets Bonus

Since 1999/2000, additional funding in the form of a “bonus” has been available to Ontario Works delivery agents who exceed provincially established placement targets. This funding will continue for 2002 but cease after that time. Funding is to be re-invested in local priorities that address such things as child poverty, employment etc.

4.1.3 Regional Funding

In 2000, Regional Council approved purchase-of-service funding to match Provincial Homelessness Initiative Fund (PHIF), counselling centres, a volunteer and information centre feasibility study, development of a youth strategy, YorkLink, and community development activities related to homelessness and social isolation.

4.1.4 Redirection of Emergency Hostel Funding Initiative

This initiative allows municipalities to redirect a portion of the funding they receive for emergency hostel services to preventive programs designed to help people stay in housing and out of emergency hostels, and to help people find and keep housing.

4.1.5 Off the Street, Into Shelter (OSIS) Fund

The Provincial Off the Street, Into Shelter Fund, is available to municipalities to help people get off the street and into shelter. The fund is available year-round to fund street patrols to locate and encourage street people to come into a shelter in severe weather conditions.

4.1.6 Provincial Homelessness Initiatives Fund (PHIF)

PHIF is available to municipalities to fund innovative projects that provide direct services to homeless people or those at risk of homelessness. Administered by York Region on behalf of the Province, projects are to help get people off the street, help people to get out of emergency hostels and into permanent housing, and help people at risk of losing permanent housing.

4.1.7 Supporting Community Partnerships Initiative (SCPI)

In 1999, the Federal government announced a three-year investment strategy to reduce and prevent homelessness across Canada. The Supporting Communities Partnership Initiative (SCPI) recognizes that no single level of government or sector of our society can solve homelessness and it encourages new partnerships to be formed with all levels of government, as well as private and volunteer sectors.

4.2 Fund Strategy

4.2.1 Budget and Business Plan

Community Funding will be integrated into the Department's annual Business Plan and Budget cycle. New funding initiatives that arise outside of the Business Plan and Budget timeframe will be managed through separate reports to Committee and Regional Council.

4.2.2 Funding Envelopes

Annually the Community Services and Housing Department will identify program directions and funding amounts for Community Funding and will establish two funding envelopes within the Business Plan and Budget.

The two funding envelopes are:

1. Department Initiatives

Programs and services, both directly delivered and purchase of service, that are identified by the Department to:

- Enhance services and programs already in place.
- Increase service levels.
- Introduce new services and programs.
- Address emergency service situations.

2. Community Initiatives

Annually, the Department will manage a Request for Proposals (RFP) process to solicit community projects. Proposals will address community-identified needs including services or programs that arise as a result of community planning processes.

4.3 Community Initiatives Process

Annually, the Policy and Program Support Division will manage the Community Initiative component. Based on program directions, priorities and the dollars available for Community Initiative funding, the Department will invite project proposals from the community through a Request For Proposal (RFP) process.

Purchase of Service agreements will then be undertaken with those service providers selected through the RFP process and in accordance with the Region's Purchasing By-law.

Proposals must:

- Be innovative and demonstrate an integrated service delivery model.
- Reflect clear indication of need and clearly define anticipated results.
- Describe well-planned activities to achieve anticipated results.
- Build on existing community strengths and networks.
- Increase community participation and enhance citizens' capacity to participate in their community.
- Eliminate barriers and promote integration.

Proposals submitted by organizations, as part of the Community Initiative process must meet the criteria noted below and the Region's RFP and Purchasing By-law standards.

4.4 Criteria

4.4.1 Eligibility Criteria

Services purchased under the Community Fund Strategy must support:

- York Region mandates, vision, and by-laws.
- Community Services and Housing Department's strategic directions, priorities and services.
- Provincial and Federal principles, objectives, and requirements that may accompany the funding.

4.4.2 General Criteria

To be considered for and receive funds, agencies and organizations must meet the following general criteria:

- York residents must realize a benefit.
- Be incorporated as a non-profit organization or a registered as a charity for the purposes of the *Income Tax Act (Canada)*.
- Be governed by a volunteer board of directors representative of the community it serves, democratically elected, active, with a minimum of 3 members not related by blood or marriage.
- Services must not duplicate existing services unless it can be demonstrated that such duplication is warranted and appropriate.
- Normally be located within the boundaries of York Region, and provide services to residents of York Region.
- Demonstrate effective use of community volunteers or community connection.
- Comply with the *Ontario Human Rights Code* in hiring practices and in the provision of all services.
- Recognize the multicultural community of York Region and respect the diversity of needs.
- Have established and documented financial management systems in place and provide annual audited statements or management representation reports.

- Demonstrate the need for the service, particularly as it relates to the Community Services and Investment strategic directions and priorities.
- Demonstrate a financial need while, at the same time, demonstrate a balanced and responsible approach to annual budgeting.
- Have an ongoing internal evaluation process in place that seeks out and uses consumer feedback.
- Have the appropriate and necessary liability insurance coverage for all aspects of the organization.
- Acknowledge York Region as a funder through such things as use of the York Region logo on agency materials.

Proposals, unless otherwise exempted, will not be considered for the following:

- Purchase of property.
- Religious or political activities or proselytizing.
- Organizations where the service component is conditional upon participation in the religious activities of the organization.
- Organizations which have political affiliations.
- Debt retirement, depreciation or deficit funding.
- Programs where the federal and/or provincial government have the primary responsibility, including, but not limited to, hospital based health programs, medical research, education, settlement and English language programs.
- Programs more appropriate for consideration under other York Region policies and programs, e.g. Arts and Culture Tourism Grant Program.
- Projects at the national or provincial level unless a York Region based branch exists and a direct local benefit can be demonstrated.
- Agencies or organizations acting in the capacity of a funding body, fundraising drives or events.
- Agencies or organizations that duplicate service in the same geographical area
- Proposals made exclusively by government.

4.4.3 Specific Criteria

In addition to the general criteria noted above, additional criteria will be developed, where appropriate, specific to a particular initiative.

The development of specific criteria will utilize:

- Criteria suggested, recommended or required by a funding source.
- Criteria required to address targeting existing agencies, services, and geographic area.
- Other requirements as deemed appropriate to the initiative, e.g. service integration, barrier elimination, capacity building and innovative partnerships.

Community Funding will not normally be used to fund 100% of a program/service budget.

At the Commissioner's discretion, criteria may be waived.

4.5 Targeting

There may be instances where targeting specific demographic, social or community characteristic (e.g. geographic, age, ethnic) for Community funding would best meet a service need. The process supporting targeted acquisitions shall be fair, open and transparent.

Examples where targeted service acquisition may be considered subject to human rights legislation include:

- Demographic change and trends that necessitate targeting, (e.g. a specific geographic area, age group, sector, target group).
- Population growth.
- An existing agency or service provider where a business case supports single-sourcing (e.g. for administrative efficiency and cost effectiveness, an existing agency is selected).
- Funding source requirements (e.g. criteria set by the funding source requires targeted investment).
- Service equalization.
- Service access.

In instances where the targeted services are an option, a business case, including the rationale for the targeted approach, will be developed and approved by the Commissioner. Where single sourcing is considered, (i.e. targeting a specific service provider where other service providers can provide the same service), the business case must specifically address the rationale for and implications of single sourcing.

4.6 Approvals

4.6.1 Multi-Year Funding Approvals

Some of the Community Funds are time-limited. In these cases, the Department makes it clear to the service provider that funding does not continue past a designated time, and sustainability becomes a criterion for proposal evaluation.

Where funds are ongoing, multi-year funding approval for a service provider may be appropriate to address service need, service system management stability or administrative efficiencies. All multi-year service contracts will be reviewed and re-approved annually.

4.6.2 Emergency Funding Approvals

In exceptional circumstances, the Commissioner of Community Services and Housing may approve emergency financial assistance of up to \$50,000 where the absence of such funding would seriously threaten the agency's or program's survival. Emergency funding will only be considered for established agencies/organizations, generally in good standing, which may require short-term assistance for unforeseen circumstances or require bridge funding, until

viable solutions are put in place. All Emergency Funding provided will be included in Department's Annual Report on Community Funding.

4.7 Annual Report

The Community Services and Housing Department is accountable to Regional Council for the prudent use of resources that support and enable Community Funding.

The Department will submit, annually, a Community Funding Report to Committee and Council. The Annual Report will contain information such as number of agencies funded, budgeted and actual funds expensed volume and types of services purchased, unit costs, emergency funding particulars. The report will also address (as appropriate) performance measures, innovations, service integration, access and partnerships, community involvement and input, and volunteerism.

5. FINANCIAL IMPLICATIONS

The Community Fund Strategy has no net impact on the amount of funding in the 2002 Budget Estimate. The process followed for 2001 is on-going for the 2002 budget year and will be reported to Committee and Council as appropriate (e.g. recent Council report for approval of Federal Supporting Communities Initiative Funding (SCPI)).

Although there are inherent costs for administering the funds, which come from other sources such as the Provincial and Federal governments, and routinely staff attempt to negotiate a percentage of the fund dollars to be used to cover costs of administration. Most funders will only allow 5 to 10 % administration costs, which do not always cover the true cost. As the full administrative cost is often not realized, the balance of this cost is augmented with an "in-kind" contribution by the Region. The benefits to the community of bringing these much needed service dollars into York Region are however, far reaching and long term.

The strategy recommends sound accountability practices to disburse funds within the Community through a transparent, equitable process. The strategy and process can be managed within the current approved staffing levels for the Department.

6. LOCAL MUNICIPAL IMPACT

The Community Fund Strategy offers a fair, equitable and transparent process to approve and disburse these funds among agencies within our municipalities.

7. CONCLUSION

The Community Services and Housing Department has developed a strategy to manage community funding responsibilities that have arisen primarily from new provincial and federal funding initiatives.