

**3. UPDATED COMMUNITY FUNDING FRAMEWORK AND NEXT STEPS FOR  
THE COMMUNITY FUNDING FRAMEWORK REVIEW**

**CADRE STRATÉGIQUE SUR LE FINANCEMENT COMMUNAUTAIRE MIS À  
JOUR ET PROCHAINES ÉTAPES DE L'EXAMEN DU CADRE  
STRATÉGIQUE SUR LE FINANCEMENT COMMUNAUTAIRE**

**COMMITTEE RECOMMENDATION**

**That Council approve the updated Community Funding Framework vision, mission, mandate, funding priorities and funding streams as outlined in this report.**

**RECOMMANDATION DU COMITÉ**

**Le Conseil approuve la vision, la mission, le mandat, les priorités de financement et les voies de financement du Cadre stratégique sur le financement communautaire mis à jour, tels que décrits dans le présent rapport.**

**DOCUMENTATION/DOCUMENTATION**

1. General Manager's report, Community and Social Services dated 10 September 2019 (ACS2019-CSS-GEN-0012).

Rapport de la Directrice générale, Services sociaux et communautaires, daté le 10 septembre 2019 (ACS2019- CSS-GEN-0012)

2. Extract of draft Minutes, Community and Protective Services Committee, 19 September 2019.

Extrait de l'ébauche du procès-verbal, Comité des services communautaires et de protection, le 19 septembre 2019.

**COMMUNITY AND PROTECTIVE  
SERVICES COMMITTEE  
REPORT 6  
25 SEPTEMBER 2019**

**52**

**COMITÉ DES SERVICES  
COMMUNAUTAIRES ET DE  
PROTECTION RAPPORT 6  
LE 25 SEPTEMBRE 2019**

**Report to  
Rapport au:**

**Community and Protective Services Committee  
Comité des services communautaires et de protection  
September 19 2019 / 19 septembre 2019**

**and Council  
et au Conseil  
September 25 2019 / 25 septembre 2019**

**Submitted on September 19 2019  
Soumis le 19 septembre 2019**

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**Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE      File Number: ACS2019-CSS-GEN-0012**

**SUBJECT: Updated Community Funding Framework and Next Steps for the  
Community Funding Framework Review**

**OBJET: Cadre stratégique sur le financement communautaire mis à jour  
et prochaines étapes de l'examen du Cadre stratégique sur le  
financement communautaire**

## **REPORT RECOMMENDATIONS**

**That the Community and Protective Services Committee recommend Council approve the updated Community Funding Framework vision, mission, mandate, funding priorities and funding streams as outlined in this report.**

## **RECOMMANDATIONS DU RAPPORT**

**Le Comité des services communautaires et de protection recommande au Conseil d'approuver la vision, la mission, le mandat, les priorités de financement et les voies de financement du Cadre stratégique sur le financement communautaire mis à jour, tels que décrits dans le présent rapport.**

## **EXECUTIVE SUMMARY**

The purpose of this report is to present for Council approval the updated Community Funding Framework, including vision, mission, mandate, funding priorities and funding streams (Document 1). The report also summarizes the work and public consultations completed to date for the Community Funding Framework Review and outlines the next steps in the Review. Staff will develop a funding policy based on the updated Community Funding Framework and bring it to Council for consideration and approval in Q1 2020. Staff will continue to administer Community Funding in accordance with existing funding policy throughout 2020 while the updated Community Funding Framework is being introduced, with the goal of a full implementation of the updated Community Funding Framework and funding policy beginning in January 2021.

City Council approved the Community Funding Framework on February 8, 2006, including funding mandate, priorities, and allocations processes (Ref No. ACS2006-CPS-CSF-0001). The Community Funding Framework (CFF) invests in viable non-profit community-based organizations to sustain a strong social infrastructure of community services that supports equal access to basics for the most vulnerable people in our community.

The Community Funding Portfolio currently invests \$24.2M of 100% municipal funding through five funding streams: Renewable Community Funding (\$23.5M),

One-Time Non-Renewable Project Funding (\$100K) in 2018 and 2019 only; Emergency Funding (\$44K); Major Capital Funding (\$300K); and Emergency Bus Transportation Program (\$221K).

In 2019, Community Funding administers 145 contribution agreements with 108 agencies. In 2018, these agencies provided services to 577,643 clients and recorded over 8,000,000 visits and more than 1,000,000 volunteer hours. Outcomes include increased social inclusion, increased knowledge of community support programs, decreased isolation, and reduced poverty.

In the last decade, community needs and priorities have changed and so has the non-profit funding landscape; however, the City's Community Funding priorities, goals and process have remained the same. On December 7, 2017, as part of 2018 Budget discussions, staff committed to undertake a review of the current Community Funding Framework and bring forward any recommended changes to Council in 2019.

The Community Funding Framework Review (CFFR) began in 2018. The goal of the CFFR is to update the Community Funding Framework so that it enables the City to meet existing needs where they are most pronounced, while offering enough flexibility to address emerging needs, strengthen existing investments, and contribute to a healthy social infrastructure and community well-being.

**Phase 1 of the CFFR (complete)** involved a scan of demographic shifts and community and non-profit social services sector needs using demographic data and key research and strategic reports from the City of Ottawa and community partners; background research of the current funding landscape and the current CFF; a municipal scan of best practices; consultations with both funded and non-funded agencies and funders (**150** agencies and **185** individuals); and a study of social sustainability and well-being strategies and frameworks. The resulting report, CFFR Environmental Scan: Needs and Gaps (Document 2), provided informed considerations for the City's role in supporting social infrastructure, structural changes to the CFF, and CFF funding streams.

**Phase 2 of the CFFR (in progress)** includes an analysis of currently funded programs against the revised CFF vision, mission, mandate and funding priorities to

identify gaps, overlaps, and misalignments. Demographic mapping and a decision matrix will be developed to assist in identifying transparent and objective eligibility criteria, funding formula and allocations process aligned with the updated CFF vision, mission, mandate, funding priorities, and funding streams.

**Phase 3 of the CFFR (2020)** will involve implementation and transition to the new CFF as well as the development of an evaluation and outcome measurement framework. No changes to funding levels will occur in 2020, as the current CFF will remain in place while the revised CFF is being implemented. Funding decisions will be made in Q2 2020.

### **Financial Implications**

No change in overall funding envelope for 2020.

### **Public Consultations/Input**

A Reference Committee of community agency partners (both funded and non-funded by the City) representing the non-profit/voluntary sector was established to inform the Community Funding Framework Review (CFFR). Membership in the CFFR Reference Committee includes **27** community agencies and **4** funders (Document 3). The CFFR Reference Committee met three times in 2018 and three times in 2019. The CFFR Reference Committee will continue to meet through 2019 and 2020 with a renewed mandate and membership.

In 2018, consultations with community stakeholders were conducted to explore the efficacy of the current Community Funding mandate, the challenges facing the community non-profit sector, and considerations for sustaining a healthy social infrastructure in Ottawa into the future. Overall, **60** community agency representatives participated in small group discussions and individual interviews. An online survey generated a total of **120** responses, including **71** from funded agencies and **49** from non-funded agencies. In addition, **6** agency representatives participated in two community consultations hosted by the Social Planning Council of Ottawa on behalf of the City of Ottawa in December 2018.

A Community Agency Meeting was held in June 2019 to validate the proposed vision, mission, mandate and funding priorities for the CFF. A total of **119**

community stakeholders representing both funded and non-funded agencies participated. Feedback was incorporated into the updated CFF, which was then validated at the July 2019 meeting of the CFFR Reference Committee.

## **BACKGROUND**

### **Community Funding Framework**

City Council approved the Community Funding Framework on February 8, 2006, including funding mandate, priorities, and allocations processes (Ref No. ACS2006-CPS-CSF-0001). The Partner and Stakeholder Initiatives branch of Community and Social Services is delegated the authority to sign agreements related to initiatives and community development under the City of Ottawa's Delegation of Authority By-law 2018-397, Schedule "D". The Corporate Grants and Contributions Policy and Procedure governs all 100% municipally funded grants and contributions in the City of Ottawa.

The Community Funding Framework (CFF) currently invests in core services provided by viable non-profit community-based organizations to sustain a strong social infrastructure of community services that supports equal access to basics. Access to basics refers to food initiatives, crisis support, drop-in/walk-in services, counselling and other support services such as civic engagement and community development.

The City recognizes that non-profit and voluntary sector organizations make an important contribution to a strong social infrastructure by:

- Addressing the needs of the most marginalized members of the community;
- Promoting active citizenship and building bridges among communities and cultures;
- Attracting financial investment and talent;
- Improving community well-being; and
- Generating social and volunteer capital.

The City invests \$24.2M of 100% municipal funding through the Community Funding portfolio, which currently administers five programs: Renewable Community Funding (\$23.5M), One-Time Non-Renewable Project Funding (\$100K) in 2018 and 2019 only; Emergency Funding (\$44K); Major Capital Funding (\$300K); and Emergency Bus Transportation Program (\$221K).

Currently, Community Funding administers 145 contribution agreements with 108 agencies: the majority, or 87 agencies for Renewable Community Funding, 8 for One-Time Non-Renewable Community Project Funding, 4 for Major Capital and 46 for Emergency Bus Transportation.

In 2018, these agencies provided services to 577,643 clients, with over 8,000,000 visits and more than 1,000,000 volunteer hours. Outcomes include increased social inclusion, increased knowledge of community support programs, decreased isolation, and reduced poverty.

Annual Sustainability Funding was approved as part of the 2006 Community Funding Framework to assist the non-profit sector to address sustainability issues over time. This funding was originally \$300K, increased to \$500K in 2007. In 2011, this program was deferred by Council. As part of the 2017 Budget process, Council approved a \$500K Sustainability Fund to assist agencies receiving renewable Community Funding to sustain services while dealing with growing needs and operating pressures. In 2018, Council again approved \$325K in Sustainability Funding for agencies in receipt of Renewable Community Funding. Sustainability Funding is added to agency's base funding amount and is subjected to annual inflationary increases.

From 2006 to 2012, a One-Time Project Funding program with a three-year funding option, provided a funding opportunity to Renewable Funding for new agencies who could demonstrate a track record. Since 2013, no new agencies have been able to receive Renewable Community Funding from the City of Ottawa.

For several years, the Community and Protective Services Committee and other Members of Council have been hearing directly from community non-profit agencies requesting Renewable Community Funding from the City. As part of the 2018 Budget, Council approved the creation of \$100K one-time, non-renewable, one-

year Project Funding stream for eligible agencies not receiving Renewable Community Funding. This was not new funding, but rather a realignment of existing unallocated Renewable and Emergency Funding. In addition, there was a commitment from staff to review the current CFF and bring forward recommendations to Council in 2019. In 2019, this \$100K one-time, non-renewable, one-year project funding commitment was reinstituted.

In 2013, an administrative review of Community Funding was undertaken (Ref No. ACS2013-COS-CSS-0011). The review highlighted challenges to community agency sustainability, and the crucial role played by renewable funding for core expenses in sustaining a strong social infrastructure. The City's investment in the Community Funding Program was found to enhance the stability and capacity of non-profit agencies to serve the community.

On November 30, 2011, Council approved a \$300K Major Capital Project Fund for 3 years (2012-2014) to support major capital improvements and additions to Community Resources Centres (CRCs) and Community Health Resource Centre (CHRC) facilities, cost-shared between the City and community partners or other funders. In 2013, Council approved an updated framework for administering the Major Capital Project Fund (Ref No. ACS2013-COS-CSS-0011), which has continued into 2019.

The Emergency Bus Transportation Fund with a total of \$221K provides dedicated emergency bus funding to local non-profit agencies to support the transportation needs of vulnerable residents not in receipt of social assistance or other transportation benefits.

The sustainability funding increases to the Renewable Community Funding base budget mentioned above, together with annual inflationary increases, demonstrate the City's commitment to supporting the provision of important services provided by the non-profit sector and sustaining Ottawa's social infrastructure over time. The Community Funding base has grown from \$15.6 M in 2006 to \$24M in 2019, including annual inflationary increases.



## **Community Funding Framework Review**

Community needs and priorities have changed in the last decade, and so has the non-profit funding landscape, but the City's Community Funding priorities, goals and process have remained the same. The lack of a project funding mechanism has left the City unable to respond to emerging social needs in a timely and meaningful fashion. In addition, over the past several years, program outcomes for funded agencies have been tied to a three-year reporting cycle. This has resulted in the inability to effectively measure program outcomes or speak to impacts in a consistent and timely manner.

The goal of the Community Funding Framework Review (CFFR) is to update the Community Funding Framework so that it enables the City to meet existing needs where they are the most pronounced, while offering enough flexibility to address emerging needs, strengthen existing investments, and contribute to a healthy social infrastructure and community well-being. More precisely, the CFFR committed to:

- Reviewing the current/emerging funding mandate and priorities;
- Conducting a needs analysis, including a gap analysis;
- Reviewing existing funding against the restated priorities;
- Creating a mechanism for responding to emerging needs and/or funding innovative approaches to respond to emerging social issues within existing funding parameters;
- Identifying a mechanism by which to assess agency sustainability; and
- Developing methods for assessing program outcomes in a timely manner.

A Reference Committee of community agency partners (both funded and non-funded by the City) was established to represent the non-profit/voluntary sector and provide feedback on the CFFR process and deliverables (Document 3).

## DISCUSSION

### Community Funding Framework Review

The Community Funding Framework Review (CFFR) consists of three phases:

- Phase 1: Environmental Scan – **Complete**
- Phase 2: Options Analysis and Recommendations – **In Progress**
- Phase 3: Implementation and Transition – **2020**

### CFFR Phase 1: Environmental Scan

The Environmental Scan involved extensive background research, a scan of demographic shifts and community needs using demographic data and key research and planning reports from the City of Ottawa and other sources; a review of the current funding landscape and the current CFF; a municipal scan of best practices; consultations with both funded and non-funded agencies and funders (a total of **150** agencies and **185** individuals); and a study of social sustainability and well-being strategies and frameworks.

### Other Municipal Funding

In order to ensure coordination of the CFF with other related City of Ottawa funding portfolios, a municipal scan of City grants and funding programs was conducted in 2019, including: Recreation, Cultural and Facilities Services; Planning, Infrastructure and Economic Development; Public Works and Environmental Services; and Community and Social Services. Only programs fully or partially funded at the municipal level were included in this review.

Internal funders offer a diverse range of grant programs, such as project funding, renewable funding, rebates, and tax incentives to meet the needs of the Ottawa community. Most also include a focus on providing opportunities for and support to equity-seeking groups or businesses. While there is no significant overlap in mandates and objectives between of the different funding streams, opportunities exist for more collaboration and coordination among funding streams.

## **Community Needs and Challenges**

Ottawa's community needs and challenges result from:

- changing demographic patterns (aging population, more newcomers and youth, all experiencing more complex needs);
- deepening poverty;
- growing social isolation, exclusion and discrimination;
- increasing complex needs related to food insecurity, mental health challenges and addictions;
- rural and suburban service barriers;
- lack of affordable housing; and
- a disproportionate effect of all these on equity-seeking groups.

The pace at which residents enter poverty and the depth of the poverty experienced are both increasing, particularly among equity-seeking groups. In 2015, there were 115,175 people in Ottawa, or 12.6% of all residents, living below the low-income threshold (low-income measure after-tax; Statistics Canada, 2017). The percent and number of children who are low income in Ottawa has increased from 16.8% in 2005 to 17.1% in 2015. The percentage of Ottawa seniors living with low income, based on the low-income measure after tax, increased from 6.8% in 2005 to 9.4% in 2016. The 2016 Census data shows that racialized, Indigenous people and new immigrants continue to face significantly higher rates of poverty compared to the general population, with even deeper impact on women in these groups. The Ottawa Community Wellbeing Report (Social Planning Council of Ottawa, 2018) shows youth unemployment at 18% compared to 7.2% for the general population, with even higher rates among diverse social groups of youth such as immigrant (23.8%) and Indigenous youth (19.9%).

In the CFFR consultations, 70% of all agencies (80% of the largest agencies) identified mental health as a key emerging need in the community, one complicated by the intersection with addictions. In the 2018 Community Agency survey, mental

health and access to mental health services was identified as one of the biggest social issues facing Ottawa. Another issue is food security, as the cost to feed a family of four in Ottawa increased by 18.6% between 2009 and 2017, and many Ottawa residents are not able to afford enough nutritious food. One in 15 households experienced moderate to severe food insecurity in 2017, and the number of people accessing food banks grew by 5.6% from 2016 to 2017.

### **Agency Needs and Pressures**

The non-profit sector is experiencing challenges to its sustainability and service delivery. Through focus groups and a community agency survey, community agencies reported that they are facing mounting financial pressures (including lack of core funding, funders' focus on short-term project funding, and general funding instability); increases in costs of core operations (staffing, administration, utilities, etc.); increased demand for services and new, more complex, emerging needs; and challenges with employee and volunteer turnover and retention. In addition, there has been an overall increase in the number of agencies providing similar services, reflecting the growing need in the community while at the same time increasing competition for scarce funding.

Agencies described their inability to keep up with the growing need for services, leading to reductions in service(s), reduction in the quality of service(s), turning clients away or maintaining waitlists. The introduction of these measures suggests that diminishing agency capacity to meet need is intersecting with growing needs in the community, resulting in further increases in overall unmet need in the city.

Agencies have tried to innovate in order to close service and funding gaps by building partnerships/coalitions, developing new program models, increasing the use of volunteers and diversifying their funding base. At the same time, agencies have had to respond to the lack of predictable long-term funding by spending more time and resources to seek and solicit new funding, which brings little to no sustained benefit and diverts resources from service delivery.

Recommendations for the CFF emerging from agency consultations included:

- clarify the CFF vision, mission, mandate, funding priorities and funding streams;
- provide a strong funding portfolio of predictable, renewable funding for core services as critical for the sustainability of the sector;
- address systemic issues and root causes;
- provide transparent and clear funding decisions and program evaluations; and
- assist the sector with building capacity, making connections, collaboration and partnerships, and reducing costs where possible.

### **Municipal Scan**

A scan of municipalities (Calgary, Hamilton, Region of Peel, and Toronto) showed that comparable municipalities have a community funding portfolio, a project funding stream and a renewable core funding stream, and clear outcomes tied to community and strategic priorities. Some municipalities situate their community funding under an overarching social well-being/sustainability strategy, with a common purpose of building stronger, more resilient and inclusive communities.

The City of Ottawa's Community Funding Framework generally aligns with the frameworks reviewed in this scan, particularly with respect to the Renewable Community Funding program, which provides core funding for organizations on an ongoing basis. Additional promising practices and recommendations from other frameworks that have informed Ottawa's CFFR include providing:

- a clear and strong rationale for the renewable core funding stream;
- regular reviews of how agency, community and City strategic priorities align, to address concerns that such alignments can shift;
- support for agency capacity building and sustainability, to address concerns that agencies may become too reliant on City funds;
- a mechanism/process that would allow organizations not receiving renewable funding to access renewable and/or other City funds;

- non-renewable project funding and focusing it explicitly on emerging needs; and
- collaboration and partnership opportunities through the CFF funding stream priorities and application evaluation criteria, rather than through a dedicated funding stream.

### **Key Recommendations and Considerations**

Findings from all research and consultations were summarized and analyzed in the CFFR Environmental Scan: Needs and Gaps report (Document 2). These inputs have informed the new CFF vision, mission, mandate, funding priorities and funding streams and are going to inform changes to future funding allocations. Key recommendations and/or considerations emanating from the findings are summarized below:

#### **1 The City's role in supporting social infrastructure**

- 1.1 Maintain the City's commitment to Ottawa's social infrastructure. Increase investment to address growing needs and sector weakening.
- 1.2 Maintain the investment in community-based hubs.
- 1.3 Align CFF vision with City, Council, and Community and Social Services Department priorities.
- 1.4 Collaborate with other internal and external funders.
- 1.5 Foster sector collaboration and capacity building.

#### **2 Structural changes to the CFF**

- 2.1 Clarity CFF vision, mission, mandate, and funding priorities. Focus on the most vulnerable residents and prioritize equity seeking groups.
- 2.2 Considerations to inform revisions include strengthening sector, furthering collaboration, and demonstrating impact.
- 2.3 Institute a review cycle of CFF vision, mission, mandate and priorities.

- 2.4 Develop evaluation framework with clear criteria for funding decisions and measures of progress.
- 2.5 Conduct an analysis of agencies currently funded on alignment with revised CFF.
- 2.6 Establish long-term goal of the CFF to address systemic issues and root causes of poverty, food insecurity social isolation, and homelessness.

### **3 CFF funding streams**

- 3.1 Clearly define funding streams.
- 3.2 Continue to prioritize and offer renewable core and program funding.
- 3.3 Offer an equitable opportunity for agencies to be considered for renewable funding.
- 3.4 Maintain a project funding stream.

### **CFFR Phase 2: Options Analysis and Recommendations**

Phase 2 of the CFFR, currently underway, involves analysing all the research and feedback and developing options for changes to the Community Funding Framework. The updated CFF outlined below was developed in several stages, each of which involved consideration of all feedback and validation from both internal and community stakeholders.

In order to update the Community Funding Framework, overarching change is required in five functional areas. This functional change will guide the transition to and implementation of a new CFF, as follows:

Moving from:	Moving to:
A focus on monitoring	Leadership – A focus on Capacity building
Closed funding	Responsive framework – Responding to emerging needs

Opaque processes & decision-making	Transparent – Sharing knowledge / data
Administration heavy	Collaborative / proactive / innovative
Unclear outcomes	Accountability – Clear outcome-based funding

### **New Guiding Principles**

In June 2019, **119** community agency representatives provided input into the new Community Funding Framework vision, mission, mandate and funding priorities. Based on all the feedback collected, nine cross-cutting themes were identified, which when consolidated became the five Key Guiding Principles for the revised CFF. Agencies also recommended an increased focus on community development and social infrastructure, a focus on systemic issues and systems solutions, a focus on the most vulnerable residents, equitable access to services, building sector capacity, and collaboration/coordinated approaches.

The new Guiding Principles for Community Funding are:

- Equity & Inclusion: Apply an intersectional Equity and Inclusion lens in all decisions and steps
- Strengths-Based: Focus and build on the strengths of individuals, communities and organizations
- Forward Looking: Prioritize forward-looking approaches such as prevention, promotion, and awareness building
- Systems Focused: Recognize residents' lived experiences and structural issues as interrelated and work to improve both
- Collaborative: Prioritize collaborative approaches to improving residents' lived experiences and addressing social issues

All research findings and stakeholder input were considered in order to develop the revised CFF vision, mission, mandate, funding priorities and funding streams. This



updated Framework was reviewed and validated by the CFFR Reference Committee in July 2019.

The Community Funding Framework recommended for approval in this report is presented through the new Vision, Mission, Mandate, Funding Priorities and Funding Streams (detailed further in Document 1):

### **Updated Community Funding Framework**

- a) Vision: Ottawa has a strong and sustainable non-profit social services sector working collaboratively to ensure an equitable and socially inclusive city for all residents.
- b) Mission: Community Funding improves community well-being by investing financial and capacity-building resources in the non-profit social services sector to address the root causes of poverty and increase equitable access to services for the most vulnerable residents in our community.
- c) Mandate: Community Funding invests in a sustainable social infrastructure of community non-profit social services that:
  - provides equitable access to programs and services;
  - responds to community needs;
  - demonstrates measurable outcomes and financial accountability;
  - collaborates to build community capacity and development; and
  - aligns with City of Ottawa strategic priorities and plans.

Priority Groups      Francophones; immigrants; Indigenous people; LGBTQ+; older adults; people living in poverty; people with disabilities; racialized people; rural residents; women; and youth.

Funding Priorities

Priority	Description	Services that support progress on priority
Poverty Reduction	Poverty is “deprivation of the resources, choices, and power necessary for civic, cultural, economic, political and social participation in society” (EI Snapshot on Poverty, 2017, p.5). Poverty reduction involves both addressing the root causes and alleviating the effects of poverty in the community.	<p>Increase equitable and timely access to services that address root causes and alleviate the effects of poverty through:</p> <ul style="list-style-type: none"> <li>- Assessment and referral</li> <li>- Counselling and crisis management</li> <li>- Skills building</li> <li>- Civic and social engagement</li> <li>- Food security</li> <li>- Affordable transportation</li> </ul>
Community Development	Community development is an inclusive process whereby community members become engaged, educated and able to generate and implement collective solutions to shared concerns.	<ul style="list-style-type: none"> <li>- Reduce structural barriers (including discrimination, stigmatization, and abuse) to resident and community engagement;</li> <li>- Increase residents’ capacity to engage in their neighbourhoods and communities to address local and systems level issues; focus on priority neighbourhoods;</li> <li>- Increase residents’ sense of belonging, access to reliable support networks and opportunities and skills to safely</li> </ul>

		participate in their communities.
Social Infrastructure	Social infrastructure refers to facilities, assets, and services that help residents and communities meet their social needs, maximize their potential for development, and enhance community resilience and well-being.	<p>Increase non-profit social services sector resilience and capacity to respond to emergencies and emerging issues through initiatives that:</p> <ul style="list-style-type: none"> <li>- Build and sustain social infrastructure assets;</li> <li>- Promote integrated sector approaches;</li> <li>- Develop alternative strategies, approaches, and use of resources;</li> <li>- Increase long-term cross sector systems planning (e.g. data initiatives, future-planning)</li> </ul> <p>to help residents and communities meet their social needs, maximize their potential for development, and enhance community resilience and well-being.</p>

#### Funding streams

Three new funding streams are being proposed:

1. **Sustainability Fund** (long term, renewable), which responds to feedback that renewable and core funding are essential to the stability and resilience of the social infrastructure in Ottawa and should be maintained; and that the CFF must focus on the most vulnerable residents (see also revised CFF Mission above);
2. **Community Fund** (medium term, renewable for up to 3 years) addresses program priorities, namely the increase in complex needs, and the need for

flexibility to address emerging needs in the community. It also creates a process for agency funding agreements to be moved to the renewable Sustainability Fund, if the funding envelope allows and if the community need is still present.

3. **Emerging & Emergency Needs Fund** (short term, non-renewable) provides most flexibility to respond to emerging and emergency needs, both in the non-profit social services sector and in the community. The current Major Capital funding and Emergency Bus Transportation funding would move to this new Emergency and Emerging Needs Fund.

Stream	Purpose	Conditions
Sustainability Fund  Long term  Renewable	Maintain a strong social infrastructure and sustainable community non-profit social sector that ensure equitable provision of services for the most vulnerable:  - Operational funding (utilities, rent, admin, staffing, etc.)  - Program funding (intake, assessment and referral, crisis intervention, other interventions addressing funding priorities, etc.)	<ul style="list-style-type: none"> <li>- Renewable</li> <li>- 5-year funding agreement cycles</li> <li>- Annual assessment (risk, outcomes, accountability)</li> <li>- Must demonstrate integration of collaboration/partnership</li> <li>- Agencies must be incorporated for 2 years, in existence for at least 5 years</li> </ul>

<p>Community Fund</p> <p>Medium term</p> <p>Renewable for up to 3 years</p>	<p>Build the capacity of the non-profit social services sector to respond to unmet, complex, and/or emerging community needs and pressures.</p>	<ul style="list-style-type: none"> <li>- Renewable for up to 3 years</li> <li>- Assessed both annually and cumulative over funding period</li> <li>- Funding agreement can be moved under Sustainability Fund if funding envelope allows, community need persists, and based on cumulative assessment after 3 years (agencies must be incorporated for 2 years, in existence for at least 5 years for this)</li> <li>- Must demonstrate integration of collaboration/partnership</li> </ul>
<p>Emerging &amp; Emergency Needs Fund</p> <p>Short term</p> <p>Non-renewable</p>	<p>Respond to emerging community needs and emergency or unforeseen organizational and capital needs:</p> <ul style="list-style-type: none"> <li>- Unforeseen organizational emergencies</li> <li>- Emerging/unforeseen community crises</li> <li>- Unforeseen renovations, accessibility work, retrofits</li> </ul>	<ul style="list-style-type: none"> <li>- One-time (per agency per funding year)</li> <li>- Capital funding for City owned, agency owned or long-term lease properties</li> <li>- Capital funding must be matched by agency or another funder</li> </ul>

## **Review cycle**

A review of community needs, pressures and funding criteria will occur every 5 years. A review cycle of 10 years is recommended for the Community Funding Framework overall, with the next review in 2030.

## **Expected Outcomes**

The updated Community Funding Framework achieves the goal of enabling the City to sustain a healthy social infrastructure through a funding program that meets existing priority needs, focusing on the most vulnerable residents and communities of Ottawa, and at the same time offering enough flexibility to address emerging needs. It also reflects current best practices and integrates research and the feedback from both community and internal stakeholders.

Expected outcomes of the new CFF include:

- Clear CFF funding vision, mission, mandate in alignment with community needs;
- Redistribution of funding to align directly to community priorities and needs;
- Improved transparency and accountability with new outcome evaluation and measurement tools and clear funding eligibility criteria tied to vision, mission, mandate and funding priorities;
- Increased funding equity across like services/programs;
- More collaborations and partnerships funded;
- Potential for reduced duplication;
- Reduced administration with 5-year funding cycles for renewable funding, with annual assessments tied to outcomes;
- Mechanism to bring agencies onto renewable funding;

- Flexible funding priorities for integration with other City funding portfolios, if required; and
- Increased role for the City in convening and responding to capacity building opportunities through ongoing community forums tied to priorities, emerging needs and solutions.

The updated Community Funding Framework is directly responsive to community needs and feedback, integrates flexibility and sustainability, and addresses both immediate resident needs and sectoral and systemic issues. In these ways, Community Funding contributes to building and sustaining a strong social infrastructure in Ottawa by supporting the non-profit social services sector.

The non-profit sector contributes to a large, diversified, resilient economy and provides considerable social benefits. Non-profit community-based organizations create economic opportunities, leverage human capital and public investment into much greater economic activity, and provide recession- and export-proof jobs. Additionally, they increase social inclusion (particularly among equity-seeking groups), civic participation, community well-being, and engagement with public sector processes. Advancing social infrastructure enables:

- innovations that can build and create the future rather than react to it and bring in new resilient systems (assets) to enable, scale and accelerate social progress;
- creation of local networks that work in a transdisciplinary manner;
- collaboration among professionals, industries, and sectors; and
- innovative physical infrastructure.

The Community Funding portfolio is an important investment in and contribution to the City's social infrastructure.

Work on Phase 2 of the CFFR will continue and include preparation for moving towards Phase 3, i.e. the implementation of and transition to the new CFF. The next steps planned for the CFFR are to:

- review existing funding against the new funding priorities (service mapping, in progress);
- identify areas of greatest need through demographic mapping;
- develop a new funding formula, funding envelopes, eligibility criteria and funding allocations processes, funding decisions and transition plans; and
- develop an evaluation and outcome measurement framework that will help demonstrate the impact of Community Funding with respect to supporting the non-profit social services sector and addressing community needs.

Service mapping is in progress, involving the analysis of currently funded programs and how they align with the updated CFF vision, mission, mandate and funding priorities. Agency reporting is being used to map service areas (e.g. emergency bus, food program, youth program, poverty reduction, counselling, etc.) and identify gaps, overlaps, alignments and misalignments.

Demographic mapping is being used to identify areas of greatest need, based on Census and other demographic data and in alignment with the new CFF mission focus on the most vulnerable residents and new funding priorities. The demographic mapping will use several layers of data and analysis, with the Ontario Marginalization Index (ON-Marg) as a foundation. The ON-Marg uses census-derived indicators to provide an area-based assessment of the distribution of marginalization in Ontario, including indicators for economic, ethno-racial, age-based, and social marginalization. Four factors are mapped and weighed using 18 census indicators: residential instability, material deprivation, dependency, and ethnic concentration. The resulting maps identify the Ottawa neighbourhoods with the greatest concentration of need.

The main benefit of using the ON-Marg as a foundational layer of demographic mapping for the CFF is that it can be used to show differences in marginalization between areas and understand inequalities in various measures of health and social well-being, either between population groups or between geographical areas. The ON-Marg has been rigorously tested and found to be empirically and



theoretically stable across time and area, as well as reliable across census years and census geographies (census tracts/CTs and dissemination areas/DAs).

Due to limitations in the Census data, however, the ON-Marg cannot provide reliable information on Indigenous, LGBTQ+ and rural populations, or an age-based delineation of youth between the ages of 15 and 25, all of which are priority groups for the Community Funding Framework due to the complex needs. Several steps are currently in progress to mitigate these limitations, including:

- Consultations with Indigenous and LGBTQ+ community and agency representatives on alternative data sources and approaches;
- An in-depth analysis of relevant research to identify reliable ways to assess and weigh demographic representation of Indigenous, LGBTQ+, youth, and rural populations in the absence of valid census data; and
- An assessment of comparable service geographies and demographic mapping used by the City.

All these inputs (internal City scan, service mapping, and demographic mapping) will be used to inform funding decisions under the updated CFF. New eligibility criteria, funding formula and allocations processes will be aligned to CFF priorities as well as to the new City of Ottawa strategic priorities. The Community Funding Framework policy statement with new eligibility criteria, funding formula and allocations process will be presented to Council for approval in Q1 2019.

### **CFFR Phase 3: Implementation and Transition 2020**

Decisions on redistribution and realignment of funding are expected to be made in early 2020 through an allocation process, with the rest of 2020 to be used as a transition year for the agencies affected. The current funding program and allocations will remain in place throughout 2020 while the revised CFF is being introduced, with the goal of a full launch of the updated CFF in January 2021.

### **RURAL IMPLICATIONS**

Current funding will remain in place for 2020 as part of the transition plan to the new CFF. Following implementation of updated CFF, more equitable distribution of

services across all of Ottawa communities is anticipated, including to rural areas, with a focus on the most vulnerable residents.

## **CONSULTATION**

### **CFFR Reference Committee**

A Reference Committee of community agency partners, both funded and non-funded by the City, was established in 2018 for the CFFR to:

- Represent the non-profit/voluntary sector, not only their respective agency;
- Review and provide feedback on the CFFR planning process and deliverables; and
- Share subject matter expertise on community needs and issues.

Membership in the CFFR Reference Committee includes **27** community agencies and **4** funders (Document 3). The CFFR Reference Committee met in June, September and October 2018, and in January and July 2019 and will continue meeting through the next phases of the CFFR with a revised Terms of Reference and membership.

### **2018 Consultations**

In 2018, the City contracted EKOS Research, in association with Goss Gilroy, to lead a consultation with Community Funding stakeholders to explore the efficacy of the current CFF mandate, the value of the City's renewable approach to funding, the challenges facing the social sector as a whole (including emerging social needs and existing gaps in programs and services), and considerations for actions to help sustain a healthy social infrastructure serving Ottawa's most vulnerable residents.

Nine focus groups were convened with senior representatives of agencies receiving renewable funding under CFF. Overall, **50** of the 89 funded agencies participated in one of the discussions, including agencies serving Indigenous clients, immigrant and racialized clients, youth, seniors, women, people with disabilities, Francophones, rural residents, members of the LGBTQ+ community, and people

living in poverty. An additional **10** interviews were conducted with agency representatives from other funded agencies and both larger and smaller non-funded agencies.

An online survey was made available to both funded and non-funded agencies through an open link. The City of Ottawa circulated an email invitation to the 89 funded agencies, as well as to **105** non-funded organizations that had previously applied for non-renewable funding and/or contacted the City for discussion or information. A total of **120** responses were received, including **71** from funded agencies and **49** from non-funded agencies.

These consultations were augmented by data from two community consultations hosted by the Social Planning Council of Ottawa on behalf of the City of Ottawa in December 2018, to receive input into the CFF review from key stakeholders, both funded and non-funded. A total of **6** agency representatives participated.

### **2019 Consultations**

A Community Agency Meeting was held in June 2019 to provide feedback on the proposed vision, mission, mandate and funding priorities for the CFF. A total of **119** community members representing both funded and non-funded agencies participated. The feedback received informed the revisions integrated in the CFF vision, mission, mandate, funding priorities and funding streams presented in this report.

### **COMMENTS BY THE WARD COUNCILLOR(S)**

Not applicable as this is a city-wide report.

### **ADVISORY COMMITTEE(S) COMMENTS**

No Advisory Committees were consulted in the development of this report.

## **LEGAL IMPLICATIONS**

There are no legal impediments to the implementation of the recommendation in this report.

## **RISK MANAGEMENT IMPLICATIONS**

A risk analysis mitigation plan is in place. A key implication of the Community Funding Framework Review is that some of the agencies currently funded may experience funding losses or changes. Mitigation includes:

- Maintaining a transparent process and open communication with the CFFR Reference Committee and all stakeholders;
- Supporting organizations that are affected during the transition through a transition period and collecting agency sustainability feedback to measure impact; and
- Facilitating partnership development and capacity building initiatives as part of supporting a strong social infrastructure.

## **ASSET MANAGEMENT IMPLICATIONS**

There are no asset management implications associated with this report.

## **FINANCIAL IMPLICATIONS**

There are no financial implications associated with the report recommendations.

## **ACCESSIBILITY IMPACTS**

No implications for 2020. Current funding will remain in place for 2020 as part of the transition plan to the new CFF. Following implementation of revised CFF, more equitable distribution of services across all of Ottawa communities is anticipated, including to people with disabilities and seniors, with a focus on the most vulnerable residents.

## **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications associated with this report.

## **TECHNOLOGY IMPLICATIONS**

There are no technology implications associated with this report.

## **TERM OF COUNCIL PRIORITIES**

This report aligns with the current City of Ottawa Strategic Plan Priority: Thriving Communities.

## **SUPPORTING DOCUMENTATION** *(Held on file with the City Clerk)*

Document 1: CFFR Glossary & Comparison of current and new Community Funding Frameworks

Document 2: CFFR Environmental Scan: Needs and Gaps

Document 3: CFFR Reference Committee Membership

## **DISPOSITION**

Staff in Partner and Stakeholder Initiatives will action any direction received as part of City Council consideration of this report and will continue to finalize phase 2 and plan for phase 3 of the Community Funding Framework Review as outlined in this report.