

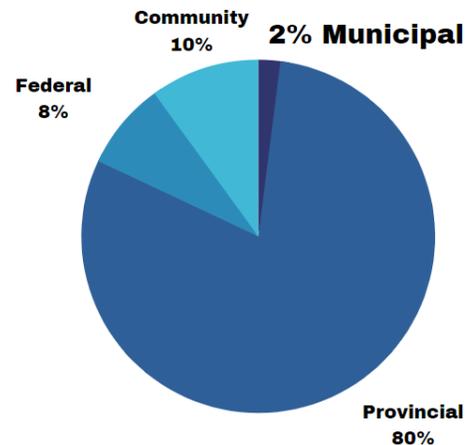
City of Lethbridge Social Funding

Background

The vast majority of the social issues our community experiences are not the mandate of the City of Lethbridge, but the Government of Alberta (GoA) through various ministries such as Community and Social Services, Alberta Health, Mental Health and Addiction, Children's Services, Community and Social Services, Seniors and Housing and others.

City of Lethbridge Social Funding Portfolio

The City of Lethbridge allocates about \$12 million annually to community service providers to address social issues. Of the \$12 million, approximately \$2 million is municipally tax supported dollars. The other \$10 million is transfer grants from the Government of Alberta (GoA) or Government of Canada (GoC). Funding amounts do change from year to year.

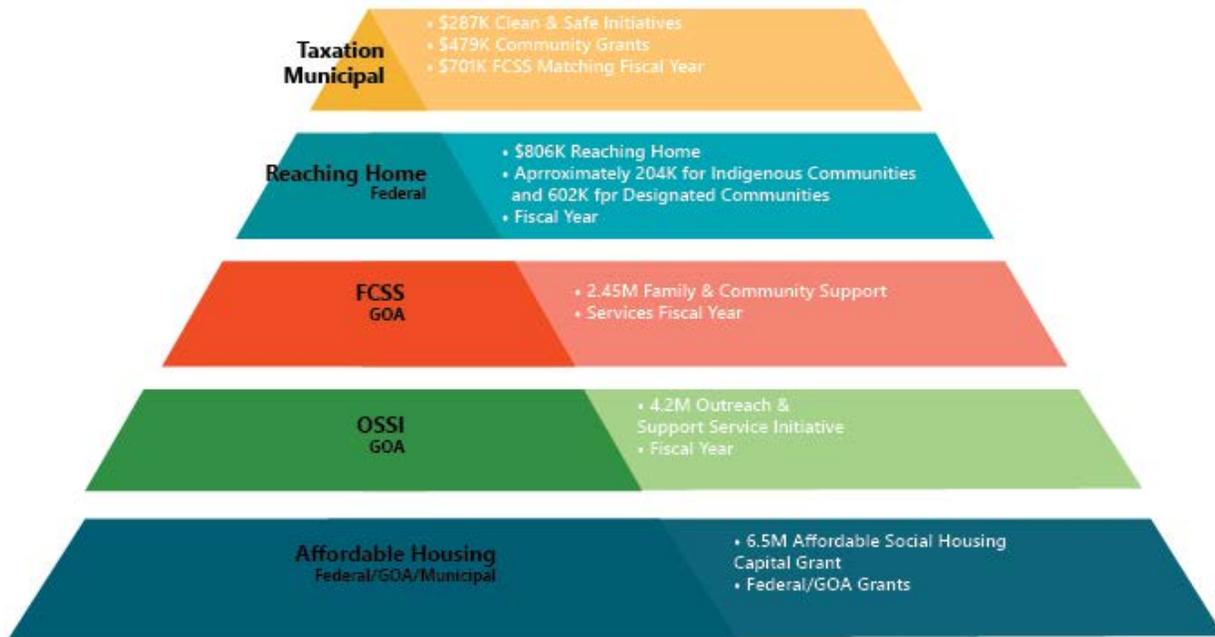


- 2021 was an anomaly, as there was an influx of onetime funding from the GoA, GoC, and City of Lethbridge to address the effects of the COVID pandemic.
- In 2021, the City of Lethbridge approved a municipally funded \$5 million Capital Improvement Grant earmarked for affordable social housing. Although this grant was approved in 2021, it will be allocated over a 5-year period towards social and affordable housing capital projects.

All funding grants have specific restrictions on the types of social programs and services that can be funded;

- **Family & Community Support Services (FCSS)**—this is a matching grant (GoA 80% and City of Lethbridge 20%) for intervention and prevention programs as defined by provincial legislation
- **Outreach & Support Service Initiatives (OSSSI)**—this is a GoA grant for homelessness programs as defined by provincial directives
- **Reaching Home**—This is a GoC grant for homelessness programs as defined by federal directives
- **City of Lethbridge**—provides various grants, all with specific directives as defined by City Council resolutions
 - Community grants targeting specific organizations
 - Rent supplement programs
 - Clean & Safe programs
 - Social and Affordable Housing capital project

Below is a breakdown of the financial allocations from the City of Lethbridge, and what portion is tax supported:



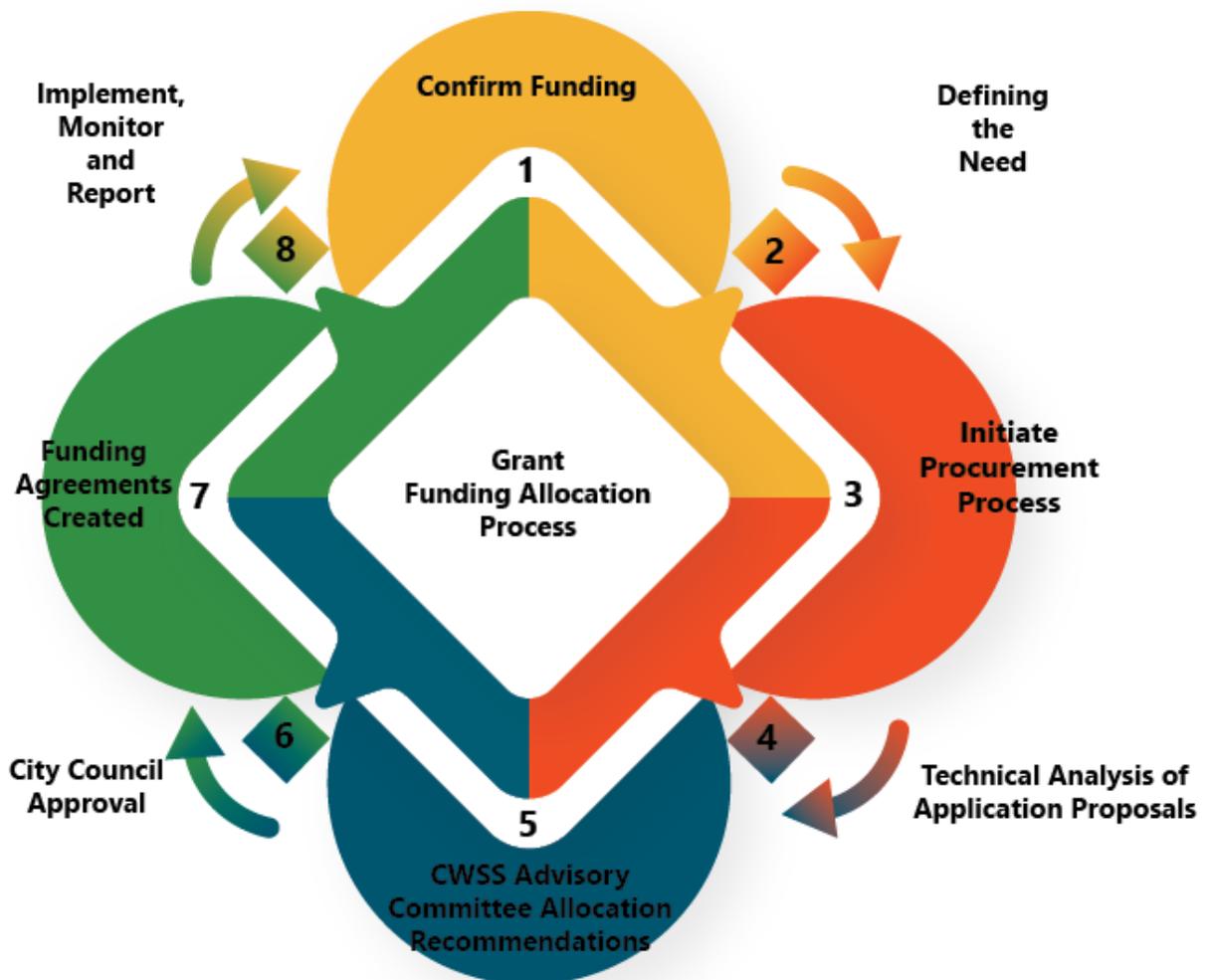
How Does the City of Lethbridge Allocate the \$12 Million in Social Funding?

Unlike many municipalities, the **City of Lethbridge does not deliver social programs, manage nor own any social/affordable housing.** Rather, the City has elected to play the backbone organizational role of convening, facilitating and coordinating the social service community. The **Community Social Development (CSD)** department has primarily filled this role. Until 2021, 100% of the CSD Business Unit operational budget (labour and operations) was funded through a portion of the \$10 million received from GoA and GoC grants. In mid-2021, the City of Lethbridge began funding of approximately \$200,000 per year to support the CSD Business Unit operations.

Many municipalities design, develop, and deliver social programs using municipal employees. They leverage their social funding to hire staff to deliver social programs and manage housing portfolios. The City of Lethbridge business model is to allocate our funding to community service providers. This includes capital funding allocations for social and affordable housing. Therefore, a key role of CSD is administering the funding allocation process. As part of this process, it is critical that all funders work collaboratively to minimize duplication of services. This requires **purposeful system-wide planning and integration of funding across the entire social service ecosystem** to generate a **collective impact.**

Funding Allocation Process

Allocating grant funding to community service providers has many moving parts and requires a team with specific skills and competencies. The steps below are a snapshot of the inner workings when determining where funds should go within our community.



1

Confirm Funding

Most of the \$12 million the City of Lethbridge allocates comes from the GoA and GoC. Therefore, the City must wait for their budgets to be approved prior to transfer of the funds to the City of Lethbridge.

- Funding Sources
 - FCSS / OSSI–Annual GoA Budget
 - Reaching Home–Annual GoC Budget
 - Community Grants, Clean & Safe Grants, Affordable Housing Grants–4-year City of Lethbridge Budget

Once both Federal and Provincial budgets have been approved, we must execute funding agreements:

- A legal agreement between the GoA/GoC and the City of Lethbridge must be completed. This process may take upwards of 3 months to complete
- Once the legal agreement is processed, the GoA/GoC deposits the funding into a City of Lethbridge account
- For City of Lethbridge funding, City Council must approve the money as part of the base four-year budget, an approved budget initiative, or a specific City Council Resolution

2

Defining the Need

We allocate funding to community service providers to address social issues. It is critical that the need is understood, defined, and prioritized. The goal is to make evidence-based decisions by defining **the social issues** in our community and **the population demographics** of those most impacted. Often defined as a Needs Assessment, this very comprehensive process requires:

- Research, data collection, and analysis
- Community and stakeholder engagement
- On the ground, connections with those in need with lived experience
- Engaging in workshops, conferences and meetings
- Ongoing collaboration with community service providers
- Coordination with key organizations, other levels of government and other funding providers

Besides the Needs Assessment, **Social Asset Mapping** is also necessary, a process that determines the exact number of social assets and/or resources in Lethbridge, with the end goal of coordinating and leveraging all these resources efficiently within our community to generate collective impact.

3

Initiate Procurement Process

We employ a procurement process to solicit proposals from service providers to fill the defined needs. Rather than the typical Request for Proposals (RFP), a Request for Supplier Qualifications (RFSQ) process is used, which allows much more flexibility to engage with and negotiate with qualified applicants. Key highlights of this process include:

- Deliver a workshop for interested applicants to review the RFSQ process, programs, and services being requested
 - Post the RFSQ with sufficient time for applicant inquiries and responses
 - Once the application deadline closes, the Procurement Department reviews all proposals to ensure compliance with minimum application requirements
- All approved proposals are then forwarded to CSD, who completes a technical analysis

4

Technical Analysis of Application Proposals

The three key components of the Technical Analysis include:

- **Criteria-based analysis** – we use objective criteria to rate/score each program/service proposal. Our goal was to decide using objective and evidence-based information, not emotion or subjective perception.
- **Funding integration analysis** – service providers submit proposals to many funders (the City of Lethbridge is one of many). To ensure we are not duplicating, we require organizations to disclose all other funding sources and details regarding the programs being funded. We want to make sure the programs we fund do not duplicate, but coordinate, integrate and build upon programs being funded by other sources, such as the GoA. To make this work easier, we ensure all other key funders are members of the CWSS Advisory Committee.
- **Financial modelling** - As part of the scoring process, we analyze the proposed program/service costs against benchmarks to ensure we get the best value for the dollar.

5

CWSS Advisory Committee Allocation Recommendations

Upon completion of the technical analysis and procurement process, we present all findings to the CWSS Advisory Committee. After many questions and much discussion, the committee provides directions as to next steps. This may involve getting additional information from many sources and meeting with applicant organizations to clarify information. This step also involves

negotiating with the service providers, as we may need them to evolve and adapt to provide us with the programs and services we need at a specific price point.

After approximately 4 to 6 months of work, a final package of system-planned programming is presented to the CWSS Advisory Committee for review. This is typically an iterative process and may take several reviews. The last step is for the committee to make social program funding allocation recommendations to City Council.

6 City Council Approval

The CWSS Advisory Committee is not a decision-making body, therefore the funding allocation recommendations are presented to City Council for final review and approval. This is a two-step process where the information is presented to the Cultural and Social Standing Policy Committee and if approved by this committee, a formal Request for Decision is presented to City Council to vote on. We require a formal City Council Motion to allow administration to generate legal agreements between to the City of Lethbridge and the service provider.

7 Funding Agreements Created

We require legal agreements between the City of Lethbridge and all funded service providers. These agreements require many components, such as:

- Scope of work, including activities and staffing models
- Budgets
- Outcomes, outputs and deliverables
- Key performance indicators (program and system level)
- Monitoring and reporting requirements; and
- Insurance and indemnity clauses

Processing the agreements requires tight collaboration between many City of Lethbridge departments, such as CSD, Risk Management, Solicitor's Office and Finance. Once processed, we send these agreements to the service provider for review and signature.

8

Implement, Monitor and Report

CSD plays a critical role in supporting funded organizations to ensure their programs are implemented and delivered effectively. Key steps include:

- **Implementation**—Successful program implantation requires a purposeful plan to ensure vulnerable clients can successfully navigate and access services.
- **Monitoring**—Robust performance management is necessary to ensure desired outcomes are being achieved. Quality control and assurance is an ongoing process.
- **Reporting**—There are many levels of reporting between service providers, City of Lethbridge, GoA and GoC. Each funding source keeps specific reporting requirements and unique data collection and reporting tools. As the bulk of funding derives from the GoA and GoC, there is an immense amount of data collection and reporting necessary to comply with funding requirements.
- **Review / Revise as Necessary**—Review and revision are required to ensure continuous improvement.

Key City of Lethbridge Administrative Roles

CSD completes most of the work required to administer City of Lethbridge social program funding, but requires engagement, input and support from many other city departments, which include:

- Procurement Department
- Solicitor's Office
- Community Services and Corporate Finance Departments
- City Clerk's Office
- Opportunity Lethbridge
- Corporate Communications
- Indigenous Relations

CWSS Advisory Committee Role

The CWSS Advisory Committee provides strategic direction, oversight, and support to City Administration regarding the funding allocation process. The CWSS Advisory Committee members bring a wide range of backgrounds and lived experiences that can apply to the CWSS implementation process. The CWSS Advisory has a systems-level strategic lens to mitigate potential conflict of interest in the procurement processes of the City. In addition, their system-wide representation generates collaboration with key funders, system partners, and service providers. I drew members from a diverse array of community sectors, such as:

- Alberta Health Services
- Business Community
- Urban and Reserve Indigenous Representatives
- Post-Secondary

- School Districts
- People with lived experience
- Provincial government
- Federal government
- Housing
- Police
- Justice/Corrections
- EMS/ Fire
- Community Funders

City Council Role

Regarding social issues, City Council plays several key roles:

- **Provide strategic direction and approve strategic plans** - to make informed decisions, City Council requires sufficient information and a strategy on how to achieve desired outcomes. CSD has developed several key strategies that were presented and unanimously approved by City Council.
 - Community Wellbeing and Safety Strategy
 - Municipal Housing Strategy
 - Community Clean & Safe Strategy
- **Provide/approve funding** - A key role of City Council is determining municipal funding allocations for dealing with various social issues.
- **Leadership and Advocacy** - City Council takes a **leadership role** in bringing all levels of government together with key community stakeholders, including the police, the education system, the faith community and service providers to generate collective impact in solving our social issues.

City Council plays a key **advocacy** role for securing funding for services that are the responsibility of other levels of government. For example, delivering homeless shelter services is not the mandate of the City, however if the GoA does not provide adequate services, this will negatively affect our community. Our elected officials play a key role in advocating for adequate services. Their advocacy plays a powerful role in securing funding.