



## REPORT FOR ACTION

## Community Services Partnership Renewal

**Date:** June 11, 2019

**To:** Economic and Community Development Committee

**From:** Executive Director, Social Development, Finance and Administration

**Wards:** All

### SUMMARY

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This report describes the Community Services Partnership Renewal process which is only open to currently funded groups at their existing funding levels. Community Services Partnership provides \$17.4M in funding to 187 groups across Toronto. The report recommends that Council approve the Community Services Partnership framework (Appendix A) which includes: the long term and short term outcomes that the funding supports agencies to achieve and a focus on serving vulnerable Torontonians. An appeals process is also recommended that outlines two circumstances in which applicants can appeal; where there is evidence of a conflict of interest or where staff have not followed the application process as outlined.

The report speaks to two other grant streams: Projects and Events and Capacity Building. The grant call for Projects and Events will focus two critical City priorities: 1) youth gun violence prevention, interruption and intervention; and, 2) actions developed by the community through Social Development Plans and Action Plans in four community revitalization neighbourhoods: Downtown East, Regent Park, Alexandra Park, and Lawrence Heights. With respect to capacity building, the report also notes several capacity building activities slated for 2019 that strengthen organizational capacity, build Black youth leadership and support Indigenous organizations

The report recommends that the Executive Director of Social Development Finance and Administration be authorized to make one-time grants in support of a range of capacity building activities and re-allocations within Community Services Partnership to respond to community needs.

### RECOMMENDATIONS

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The Executive Director, Social Development, Finance and Administration recommends that:

1. City Council approve the Community Services Partnership framework as described in Appendix A.

2. City Council approve the following appeals approach for the full Community Services Partnership funding application:

- Appeals to the recommendations for funding presented to Council will only be accepted and considered in either of the following circumstances:
  - If there is evidence to suggest that a person involved in the funding recommendation had a conflict of interest at any time during the granting process that has affected the grant recommendation.
  - If there is evidence to suggest that there was a departure from the approved grant-making process outlined in the grant guidelines.
- A recommendation to cease funding a particular program or agency will not, in and of itself be a basis for appeals.
- There will be a process to submit and assess the request to appeal before the appeal is reviewed by an appeals panel. Appeals will be heard by a panel of residents, service users and city staff from divisions other than Social Development, Finance and Administration.

3. City Council authorize the Executive Director, Social Development, Finance and Administration to re-allocate the 2019-2022 Community Service Partnerships (Community Services Partnership) funds that are not used during the funding year by approved organizations to other Community Service Partnership approved organizations.

4. City Council authorize the Executive Director, Social Development, Finance and Administration to approve changes to funded programs for already Council approved agencies within each four year Community Services Partnership funding cycle where a demonstrated community need is being addressed.

5. City Council authorize the Executive Director, Social Development, Finance and Administration to re-allocate, or approve and disburse one-time Capacity Building grants.

6. City Council request the Executive Director, Social Development, Finance and Administration to report back annually to the Economic and Community Development Committee on the grants approved through authority provided in recommendations 3, 4 and 5.

7. City Council authorize the Executive Director, Social Development, Finance and Administration to receive and allocate money received from other funders in support of capacity building projects approved through authority provided in recommendation 5 and to enter into agreements for the use of these funds.

## FINANCIAL IMPACT

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The recommendations in this report will have no financial impact beyond what is included in the 2019 Operating Budget for Social Development, Finance and Administration.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## DECISION HISTORY

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The City of Toronto provides support to the public benefit sector through funding programs under the general authority for making municipal grants provided in Section 83 of the City of Toronto Act, 2006 (S.O. 2006, c.11).

<https://www.ontario.ca/laws/statute/06c11#BK103>.

On March 28, 2017 City Council approved the introduction of three grant streams: Community Projects & Events, and Neighbourhood Micro Grant (rebranded to Neighbourhood Grants), and Capacity Building as part of the new Community Investment Funding framework to advance Council approved social development strategies and support City divisional service plans.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD18.5>

On December 5, 2017, City Council approved the report *For Public Benefit: Whole-of-Government Framework to Guide City of Toronto Relationship with the Community-Based Not-for-Profit Sector*.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD24.4>

On December 5, 2017 City Council adopted motion MM 37.15 to address the service gap in the Downtown East Revitalization Area. Council requested City staff to identify resources required to address current challenges and report to Budget Committee with a funding request. Council also directed City staff to establish an expert staff team to respond to the immediate crisis and develop a comprehensive 5-year plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.MM35.17>

On December 16, 2013, Toronto City Council adopted recommendations to dissolve the Community Partnership and Investment Program Appeals Committee; and to direct Division Heads to establish and administer open, accountable and accessible appeals processes.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX36.12>

On February 2, 2010, Toronto City Council adopted the Community Partnership Strategy.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.CD30.2>

## COMMENTS

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### 1. Community Services Partnership at a Glance

Community Service Partnerships provides on-going support to Toronto's public benefit organizations to offer high quality and relevant services that respond to the changing needs of the community and strengthen the City's well-being. Community Services Partnership is managed by the Community Funding Unit in Social Development, Finance and Administration, which also provides short-term grants through a number of additional grant streams. In 2019 the budget for Community Services Partnership is \$17,438,371, while the budget for short-term grants is \$3,881,918. The various grants provided by the Community Funding Unit are depicted in the following diagram.

Table 1: Community Funding Unit Grant Streams



In 2019, 187 agencies will receive Community Services Partnership allocations ranging from \$5,415 to \$643,340, with an average allocation of \$90,378. The full list of allocations is provided in Appendix B. Across the portfolio of agencies, every dollar of Community Services Partnership funding is augmented by approximately \$64 dollars in revenue from other sources.

The 369 programs funded through these allocations have broad reach; agencies report that in 2017 Community Services Partnership-funded programs served over 787,500 people, engaged nearly 20,800 volunteers and employed over 1,200 full-time equivalent staff positions. Community Services Partnership-funded programs serve a wide range of Torontonians, including: newcomers, children and families, youth, people with disabilities, and seniors. In addition, the Community Services Partnership guidelines mandate that these programs serve vulnerable Torontonians, which ensures the funding is serving those who can benefit most. Currently 42 funded agencies are based in Neighbourhood Improvement Areas and 10 agencies are based in Emerging Neighbourhoods. Many multi-service agencies also provide services in Neighbourhood Improvement Areas and four Council-approved revitalization communities, including Downtown East.

The Community Funding Unit seeks to support Council-approved strategies through grants made in all of its funding streams. The following table demonstrates how strategies are supported.

Table 2: Community Funding Unit Grant Programs and City Strategies

City Strategy	Community Funding Unit Grant Program
<a href="#">Toronto Action Plan to Confront Anti-Black Racism</a>	<ul style="list-style-type: none"> <li>• Capacity Building for Black Leaders</li> </ul>
<a href="#">Toronto Strong Neighbourhoods Strategy 2020</a>	<ul style="list-style-type: none"> <li>• Neighbourhood Grants</li> <li>• Community Projects and Events</li> <li>• Community Service Partnerships</li> </ul>
<a href="#">Toronto Youth Equity Strategy</a>	<ul style="list-style-type: none"> <li>• Identify 'N Impact Youth Grants</li> <li>• Gun Violence Rapid Response Grant</li> <li>• Community Projects and Events</li> <li>• Community Service Partnerships</li> </ul>
<a href="#">Toronto Seniors Strategy</a> <a href="#">Toronto Newcomer Strategy</a>	<ul style="list-style-type: none"> <li>• Community Projects and Events</li> <li>• Community Service Partnerships</li> </ul>
<a href="#">Downtown East Action Plan</a>	<ul style="list-style-type: none"> <li>• Community Projects and Events</li> </ul>
Community Safety and Wellbeing	<ul style="list-style-type: none"> <li>• Community Crisis Response Fund</li> <li>• Gun Violence Rapid Response Grant</li> <li>• Community Service Partnerships</li> </ul>
<a href="#">Tenants First</a>	<ul style="list-style-type: none"> <li>• Capacity Building Grants</li> </ul>
All Community Funding Unit grant programs address the <a href="#">Poverty Reduction Strategy</a> and the <a href="#">For Public Benefit Framework</a>	

## Community Services Partnership Renewal Process

### Rationale

The City is undertaking a renewal of the Community Services Partnership funding program for the first time since its inception at amalgamation. This process builds on streamlining work that was completed in 2014 and acknowledges that the city, as well as the human service sector has grown and changed significantly over the last 21 years.

The demand for Community Services Partnership funding is both robust and persistent. The Community Funding Unit regularly receives requests for information regarding

opportunities to enter the funding portfolio. In the 2017 review of Investment Funding streams organizations, especially those that have historically been unable to access City funding, demanded increased transparency and accountability within the grant making process. The Community Funding Unit is addressing these concerns by:

- Introducing an online granting system, improving efficiencies for the public benefit sector and five City funding divisions in accessing information and reporting
- Working towards the collection of data for equity, a key recommendation of the Confronting Anti-Black Racism Action Plan.

## **Objectives**

The Community Services Partnership renewal process is open to currently funded Community Services Partnership groups at current funding levels. Key goals of the renewal process include:

- Demonstrating good stewardship of the program and transparency with taxpayers' money as demands for grants increase within the public benefit sector
- Identifying shared goals and outcomes that show a direct link to how the public benefits from City investments
- Realigning investments to best support vulnerable Torontonians and reflect the changing needs of our communities
- Support public benefit sector organizations to build capacity within their organizations to meet the needs of the community and demonstrate program impact.

## **Engagement**

A broad range of engagement activities (described in Table 3) ensures that various stakeholder groups, including grantees not only provide input to the process but deepen their understanding of the outcomes Community Services Partnership aims to deliver. As part of the City's Commitments in support of the Truth and Reconciliation Calls to Action, engagement with Indigenous-led Community Services Partnership funded organizations involves a co-designed process which recognizes their autonomy and self-determination.

Table 3: Community Services Partnership Renewal Engagement Strategies

Engagement with Funded Groups	Engagement with other Stakeholders
<ul style="list-style-type: none"> <li>• 90% attended a session during our 2018 Engagement Series</li> <li>• 82% are registered to attend a session during the 2019 Engagement Series, with additional registrations coming in daily</li> <li>• 4 Community Service Partnership Bulletins have been distributed to provide key updates on the process</li> <li>• 62% of organizations responded to the Community Service Partnership Renewal Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Community Advisory Committee comprised of residents, other funders, and funded groups provides input into the process</li> <li>• City staff attended an engagement session in 2018 and provide ongoing consultation</li> <li>• 2 bulletins and 1 report have been shared with City Councillors</li> <li>• A resident focus group informs the process</li> </ul>

### Community Services Partnership Framework

The Community Services Partnership Framework consists of strategies, activities and inputs to achieve a series of outcomes. It is focused both on supporting a vibrant public benefit sector and meeting the needs of vulnerable Torontonians. Since vulnerability is a cornerstone of the framework it is also defined within the framework.

The ultimate outcome is that Community Services Partnership supports community organizations to offer high quality and relevant programs/services that build vibrant, equitable, inclusive, safe neighbourhoods and communities where the needs of vulnerable people and communities are met.

Community Services Partnership acknowledges that a vulnerable resident must be assessed in context – a person's vulnerability or resiliency will depend on structural inequalities, as well as their circumstances, environment and resources in the broadest sense. The following factors are essential to understanding and demonstrating vulnerability within the Community Services Partnership funding program

- Poverty
- Social isolation
- Geographic isolation (living in an underserved area, such as a Neighbourhood Improvement Area or Emerging Neighbourhood)

Community Services Partnership further acknowledges that the application of an intersectional lens can deepen an understanding of vulnerability.

As demonstrated in the attached Theory of Change (Appendix C), Community Services Partnership funding accomplishes its ultimate outcome by funding public benefit organizations to deliver evidence-informed, programs and services for and with

vulnerable people and communities. Community Services Partnership investments support a public benefits sector that is resilient and responsive to community needs; organizations that are effective and adaptive; community leaders that are skilled and responsive; and residents that are engaged.

The Community Funding Unit has identified a list of outcomes that will result in the desired changes articulated above. Community Services Partnership funding outcomes include:

- build and sustain strong organizations
- increase knowledge and awareness of program participants
- reduce social isolation of program participants
- mitigate the effects of living in poverty of program participants
- increase resident leadership.

Grantees will provide feedback on their funded activities that will achieve these outcomes during the 2019 Spring Engagement Series.

The guidelines for the 2020 full application are largely consistent with the 2015 guidelines and build on the framework identified above. The guidelines will include the following items:

- **Vulnerability:** Community Services Partnership funds programs and services meet the needs of vulnerable Torontonians.
- **Connection to Social Development, Finance and Administration Strategies:** Community Services Partnership funding supports actions identified in City strategies, as depicted in Table 2.
- **Programs:** Organizations will be encouraged to apply for programs that will contribute to the identified shared outcomes. This may include programs that are new to the Community Services Partnership funding portfolio; programs that are new to the organization; or expansions to previously funded Community Services Partnership programs. All requests must be based on demonstrated community need and use an evidence-based approach.
- **Core Funding:** Strong organizations deliver strong programs and services. As such, organizations may assign up to 25% of their allocation to core operations, contributing to salaries of key staff positions, occupancy costs, general office expenses, and other organizational costs.
- **Assessment Criteria:** Organizations will be assessed based on organizational health (financial management and organizational capacity) organizational experience, community need, participant involvement, and program impact.

## Two-Stage Application Process

The Community Services Partnership application process consists of two phases, an eligibility screen and a full application.



## **Phase 1: Community Services Partnership Eligibility Screening Application**

**Purpose:** The Community Services Partnership Eligibility Screening Application was developed to establish organizational eligibility for Community Services Partnership funding. The criteria used in this screening has been the one used by Community Services Partnership since 2001 and attached as Appendix D.

**Process:** The application launched in February and was open for four weeks. Organizations received 4-5 reminders to complete their applications. City staff were available to support organizations throughout the application process. A firm deadline was communicated and implemented.

**Results:** Ninety-five percent (95%) of Community Services Partnership-funded organizations completed the application by the deadline: 49% of these organizations were found to be fully eligible for Community Services Partnership funding and 51% of organizations were found to be ineligible in one to six categories. Organizations deemed ineligible have an opportunity to address eligibility concerns and remain within the funding envelope. Six organizations failed to submit an application and have been offered transition funding as they prepare to leave the funding portfolio at the end of 2019.

**Results Update:** As of May 29, 77 % of organizations are eligible to apply for Community Services Partnership funding and 23% of organizations remain ineligible and have until June 7 to provide a plan to become eligible before the end of 2019.

**Capacity Building Supports:** Social Planning Toronto is providing capacity building supports to organizations who remain ineligible and are interested in meeting all eligibility requirements before the phase 2 application is launched.

Supports will include:

- facilitation of a peer learning panel on vulnerability during the 2019 Engagement Series;
- development and hosting of a resource bank of templates, toolkits and other materials on topics related to the Community Services Partnership eligibility criteria, general non-profit management, and data collection and use;
- facilitation of mentorships between Community Services Partnership funded organizations to provide intra-sectoral support.

## **Phase 2: Community Services Partnership Full Application**

**Purpose:** To assess alignment with the Community Services Partnership Framework (presented above), ultimately ensuring that Community Services Partnership-funded organizations and programs are supporting the needs of vulnerable people and communities in Toronto and achieving Community Services Partnership outcomes.

**Process:** As a result of comprehensive consultations with a diverse array of both internal and external stakeholders, the full Community Services Partnership application process has been enhanced in the following ways:

- Organizations will submit streamlined applications via the new online granting system, allowing for robust monitoring and evaluation of funded groups over the life of the funding agreement.
- Applications will be assessed by review panels representing a diversity of perspectives that includes: City staff, other funders, subject matter experts and residents who use the services provided by the groups funded through Community Services Partnership.
- To ensure transparency and accountability, and in-line with the process implemented in Phase 1, late applications will not be accepted at the full application stage.

Staff will provide information sessions, support and training on the on-line grant system during the application phase. Recommendations for funding will be considered for approval by Council in Q4, 2020 for the balance of the four year funding cycle ending in 2022

**Appeals:** Appeals to the recommendations for funding presented to Council will only be accepted and considered in either of the following circumstances:

- 1) If there is evidence to suggest that a person involved in the funding recommendation had a conflict of interest at any time during the granting process that has affected the grant recommendation.
- 2) If there is evidence to suggest that there was a departure from the approved grant-making process outlined in the grant guidelines.

A recommendation to cease funding a particular program or agency will not, in and of itself be a basis for appeals.

There will be a process to submit and assess the request to appeal before the appeal is reviewed by an appeals panel. Appeals will be heard by a panel of residents, service users and city staff from divisions other than Social Development, Finance and Administration.

This approach was reviewed and supported from the Office of the Ombudsman given the engagement work of staff with grantees. Particularly City staff demonstrated that there has been regular and robust communication with Community Services Partnership grantees about the renewal process, the application requirements, as well as an opportunity to provide feedback on the Community Services Partnership renewal materials. In the current round of engagement 98% of grantees reported that they understood the appeals process as outlined above.

## **2. Community Investment Funding Program – Projects & Events**

The Projects & Community Events grant program framework was approved by City Council in March, 2017. The framework for this annual program outlined a critical shift in Social Development, Finance and Administration's funding strategy. The Projects & Events grants align City funding to advance Council-approved strategies that focus on Community Services Partnership Renewal

community-level impact and emerging needs from year-to-year. Approved funding to community-based organizations have supported Council priorities and actions identified in many of the social development strategies such as: Toronto Strong Neighbourhoods Strategy 2020, Poverty Reduction, Toronto Youth Equity strategies, Gun Violence, to name a few. A total of \$2,145,613 in grants have been allocated to 118 groups across Toronto since 2017.

For 2020-2021, the Projects & Events funding stream will focus on two critical City priorities: 1) youth gun violence prevention, interruption and intervention; and, 2) actions developed by the community through Social Development Plans and Action Plans in four community revitalization neighbourhoods: Downtown East, Regent Park, Alexandra Park, and Lawrence Heights. To ensure high impact, staff recommends two years of funding, subject to annual approval of the City budget. Reports on resourcing for the Social Development Plan for Regent Park and the Downtown East Action Plan are also on the June 26, 2019 Economic and Community Development Committee agenda. Calls for these grants will be issued in 2019 and the allocations report for the funding recommendations will be brought forward to City Council for approval in 2020.

### **3. Capacity Building**

The current funding environment in which public benefit organizations and grassroots groups are operating is unstable and challenging. To navigate these challenges while also meeting the growing needs of vulnerable Torontonians, organizations and groups need to be adaptive and resilient. The City of Toronto helps to strengthen organizations through the provision of capacity building supports. In May 2018, Council approved the development of seven capacity building pilots, which have subsequently been funded. These initiatives include: the provision of training and mentoring to enhance governance practices, support for organizations experiencing crises, and a co-created project to strengthen Black-led community organizations.

In 2019 capacity building activities include:

- Collaboration with United Way Greater Toronto and Ontario Non-profit Network to support organizations destabilized by funding reductions from other levels of government or granting bodies.
- Funding intermediary organizations to provide agencies with access to training, mentorship, curated resources, and support to assess their capacity building needs.
- Funding organizations to deliver leadership development initiatives for Black Torontonian youth.
- Collaborating with Indigenous organizations to develop a capacity building project.
- Strengthening trusteeships practices by developing resources and reviewing current models for funding trustee organizations.

The Executive Director, Social Development, Finance and Administration is requesting authorization to approve capacity building grants to enable responsive grants to be made more quickly. Given the current, shifting funding context, this authority will help Social Development, Finance and Administration address emerging issues in a timely way.

## **CONTACT**

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## **SIGNATURE**

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Chris Brillinger  
Executive Director, Social Development, Finance and Administration

## **ATTACHMENTS**

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APPENDIX A - Community Services Partnership Framework  
APPENDIX B - 2019 Community Service Partnership Allocations  
APPENDIX C - Community Service Partnership Theory of Change  
APPENDIX D - Community Service Partnership Eligibility Criteria