

Government Transfers Review

Thank you for the opportunity to provide feedback to the Ministry of Finance regarding the policy review currently underway involving BC's [Core Policy and Procedures Manual \(CPPM\) Chapter 21: Government Transfers](#).

This submission provides feedback on behalf of 16 associations that represent the diversity of the community social services sector. This sector is responsible for the delivery of thousands of community programs, services and supports across BC.

Our associations represent member organizations that have funding relationships with the Ministries of Health, Education, Children and Family Development, Advanced Education, Skills and Training, Municipal Affairs, Social Development and Poverty Reduction, Public Safety and Solicitor General, and with the crown agencies Community Living BC and BC Housing.

The government transfer of funds to deliver these services is determined by the CPPM and gives our associations a unique perspective on how the CPPM affects and influences service provision and community capacity.

Preamble

At its core, the social services sector is about enhancing community capacity. And because of the sector's fundamental relationship to community, the strength and sustainability of this sector and of the organizations that deliver these services (or whether there even are such organizations in a community) directly determine the health, safety, and capacity of the towns and cities and neighbourhoods in which we all live.

Government transfers for the purposes of delivering community social services need to be considered in relation to the unique characteristics and aims of this unique sector. The current model, which was developed for an entirely different industry with entirely different structures and objectives, does not serve the community social services sector.

Over time (and because they are informed by the needs of different industries) our transfer practices have become very program-specific. However, we believe that the true purpose of government transfers in our sector should reflect a commitment to social infrastructure

that goes beyond the objectives or deliverables of an individual program and considers the importance of strong and sustainable community social services to healthy communities.

We need a fundamentally different model for government transfers and accountability of government transfers devoted to social care—core policy and the Financial Administration Act need to reflect the purpose and intent behind transfers for the delivery of social services. We need to think and talk differently about government transfers for social services and we need core policy that reflects this.

A community development approach

A community development approach to the planning, funding, and evaluation of community social services will best address the challenges created by the current transfer model. Community involvement—with actual citizens and organizations who live and work in that local area—is required from the moment service delivery is considered in policy and/or legislation with a government staffing model to support this approach.

We do not mean regional boards or community boards or elected or paid representatives; we mean self-identified people who will be accessing and/or providing these services. In some cases, it may be that the community itself provides examples of what the boundaries of that community are. In some cases, the community may identify other people or groups who should be at the table providing insight and sharing experiences.

This approach will help to ensure that funding decisions are done in a way that respects and supports the organizations that are delivering those services and living out those policies. Inclusive, barrier-free community involvement will provide the insight, experience, and understanding to ensure that these important decisions and policy changes actually have their intended impact and desired outcomes.

Challenges with current policy

There are challenges with the current policy across all the Ministries and crown corporations that fund community social services. While different services are funded in different ways, the challenges with the current policy affect social services across our entire sector.

The challenges identified below are meant to illustrate that point and demonstrate the need for a radically new approach in government transfers to our sector. They are not meant to be a list of issues to be checked off one by one. While doing so would bring some positive change, addressing a few one at a time without changing the overall model of transfers and agreements would be like putting a new coat of paint on a house with a shifting foundation.

That is not the kind of change the Social Services Sector Round Table is working towards—especially not when it comes to decolonizing the social services sector. The current procurement structure is inherently colonial and biased toward non-Indigenous organizations. Our collective interest is to remedy the root cause of the problem; without doing so, trying to address the symptoms will not create the kind of meaningful and long-term change we are working toward.

Lack of community involvement

In many ways, the current policy actively works against community involvement at the local level, particularly when it comes to engaging the people most affected by any changes in service delivery. The confidentiality requirements under procurement policy inhibit community engagement and collaboration among organizations as well as coordination between organizations and the Province. When they happen, consultations with the community social services sector are not always clear or forthcoming about their intentions or proposed models for service delivery. Over time, organizations become distrustful of funders and consultations. Without the full picture and/or a trusting relationship, service providers can't meaningfully engage or provide feedback. And when service providers are not properly included, challenges and barriers inevitably emerge because their on-the-ground expertise and experience have not informed the new model.

Unrealistic Timelines

Proposal timelines of 4 weeks to 3 months are rarely sufficient for the planning that is required of the service or the proposal. Community collaboration (particularly among Indigenous and non-Indigenous service providers) requires time and energy to be put toward relationship building, establishing trust among partners, informing boards of directors, planning for a staffing model in a very challenging labour market, finding affordable and accessible spaces, making the space appropriate for service delivery. At best, this causes unnecessary stress on organizations; at worst it leads to situations where

"no appropriate" proposals are received and the service simply isn't created for the community that needs it.

Scoring of bids

The weighting of the budget and financial model appears to be out of step with the reality of the true cost of service delivery and may inadvertently be privileging larger organizations or multinational corporations, particularly when the organization is taking on the financial risk. When cost is a factor in the scoring of bids it can lead to situations where the true budgets of service delivery are not reflected in the proposals or subsequent contracts. This creates an unrealistic idea of service delivery costs and downloads the unfunded costs of delivering services to the community organization.

Service models do not meet community need

There is often a discrepancy or disconnect between the desired service outcomes and the requirements in a contract. This is often related to staffing credentials and associated costs, supervision, training, program costs, and/or administrative costs. And because of the confidentiality required by the procurement process, there is no appropriate way for a given community to organize and coordinate and engage with the government around such requests for proposals.

Competitive bidding undercuts the strength of the network

Community social services organizations operate as a network. Human lives do not fit into neat pre-prescribed program boxes. More often than not, a person or family will be receiving support from multiple organizations. As such, organizations in a community coordinate with each other to ensure that clients can experience support as seamlessly as possible. However, a competitive bidding process makes it almost impossible to work together and actively pits organizations against each other, undermining the strength of our networks and relationships. It is wasting a resource that is readily available to improve service delivery and outcomes. A different approach should take full advantage of the power and potential of our networks and relationships when it comes to designing service delivery.

Downloading of Risk

Contracts for service delivery are downloading costs to community social services organizations and one of those costs is increasing levels of risk. Contracts with inadequate staffing models create the risk of workplace violence, putting both clients and staff at increased risk of harm. Contracts that stipulate the use of property secured for a particular program leave organizations at risk of signing leases or making property purchases that they may not end up using. For programs that are gate-kept by the government, non-profit organizations face financial management risks such as ending up with a surplus of funds at the end of the year due to low program participation. There are many other examples. And in addition to jeopardizing the existence of community organizations, this situation creates conditions where organizations may become increasingly unwilling to provide such services.

Constant changes and legal costs

Ongoing changes to contract language result in higher and higher legal costs for community organizations, who in many cases get a legal opinion only to hear that no changes in contract language will be allowed.

Delays in contract negotiations

Contract signing and renewals are frequently delayed by months and months. This leaves organizations in the very precarious position of providing services without a current contract in place. Organizations also face challenges and months-long delays trying to develop continuing agreements that last for longer than one year which would improve service continuity and organizational stability but often take ongoing time and energy to make happen. Being able to only offer precarious or short term employment leads to higher rates of staff turnover and burnout, an inability to adopt HR best practices, missed opportunities for employee upskilling and puts community organizations at a significant disadvantage in an increasingly competitive labour market.

Negotiations

Organizations report many instances of holding contracts that have not changed in over 10 years and are thus operating programs at a deficit. Not having the ability to renegotiate contracts based on service changes or cost changes strains organizations, weakens the

entire community social service sector, and gives the government a false sense of the actual costs of providing such services. Inflationary pressures, labour market fluctuations and other cost changes strain organizations that have not been able to negotiate contracts based on these actual cost pressures.

Using contract negotiations as quality assurance measures

Social services organizations are accountable to their funders, clients, and communities. It is important to be transparent about our use of public funds and the quality of services we provide. However, relying on the procurement process to manage cases where there is a concern about service quality is inappropriate. Moreover, it does not address the issue at hand. Quality assurance should occur in a consistent manner that allows for communication, shared learning, and problem-solving and puts the people accessing services at the centre. Many community social services organizations are accredited, are members of registration bodies, and complete ongoing reporting and screening processes; incorporating such things into ongoing quality assurance would reduce administrative burden and help ensure ongoing and appropriate accountability.

Matching fund agreements

Requiring organizations to raise funds through other means in order to bid on government-funded services diverts time and energy away from important fund development activities that support services and costs that are not funded by the government.

Partners in service delivery

The current funding model sets up a power dynamic between the province and the community social service sector that does not serve the idea of “partners in service delivery” as stated by the government. Often, when the government puts out a proposal or a service request, what is needed or in the best interest of the client(s) is different from what the funder initially expects or proposes. And when an organization replies with a different budget or model in order to deliver quality services, the response is rarely open communication or collaborative problem-solving. When a service provider clarifies how to meet the needs of their clients or community, they should be trusted rather than bullied; they should have their experience and expertise factored into decision-making rather than having their other contracts used as leverage to keep them from pushing back. More and more community social service organizations report that the needs of the people they

serve are getting increasingly complex. This assessment of community need is backed up by research about service demands, capacity, and community safety. However, organizations frequently report that they are questioned and challenged when they advocate for different approaches to service delivery that would better meet the needs of their communities.

Lack of understanding about community social services

A common thread among many of the challenges noted above is a lack of understanding about the role and purpose of the community social services sector. In some cases (e.g., community living or gender-based violence), almost all service delivery is provided by community-based organizations. In other cases (e.g., mental health and substance use services), the provision of service delivery varies across the province. Determining appropriate funding for a sector without understanding what the sector consists of or what it does is impossible.

Impact on social infrastructure

Ours is a sector where the need to find many sources of uncertain and short-term funding means that losing even one contract means organizations may be faced with the prospect of having to close their doors for good. Ours is a sector where organizations that have been delivering invaluable services for decades are still given precarious and impractical year-to-year contracts. The current funding model has a significant impact on the health and strength of our communities, yet does not recognize or factor this in at any stage of the process. The current model is designed to fund distinct programs with little-to-no thought about the context of that program, the consequences of such a narrow scope, or doing the long-term work of healing families or improving mental health or overcoming substance use issues with short-term funding. It ignores the networks of support that inherently exist in communities. It ignores our province's commitment to reconciliation. It ignores the inequities faced by different demographics and different regions of the province. It ignores the precarious positions that organizations are kept in. What would be the impact of a school suddenly closing? Or a hospital? The closing of a social services organization does not just affect the four walls of that organization.

Policy Revision Ideas

We believe revision is not enough. BC needs an entirely new funding model for the social services sector. Community development models for service planning and delivery exist and have been used on occasion in our province. (For a case study on this approach see [Towards A Community Benefit Model in Community Services](#) by the Community Social Planning Council, 2013.)

We propose the creation of a new community development model for government transfers for community-based social services guided by the following guiding principles.

Decolonizing. Consistent with UNDRIP and taking actionable steps to create equity in social services for Indigenous people and organizations.

Outcomes-based accountability. Accountability to the local community, to the Province and tax-payers, and to people who are served, informed by and founded upon local relationships and local knowledge.

Sustainable. Sustainable for the social services organizations and providing sustainability and continuity for the communities they serve.

Integrity. Funding services at true costs; working with communities to collaboratively determine what services are needed, what is possible, and how outcomes and expectations align with funding dollars.

Evaluation criteria for funding decisions. Designed by community social services experts in government and in the community with a thorough understanding of the sector.

Community driven. The community members who will use the service are a part of service planning and development, alongside community organizations and government, from the moment service delivery is considered. Ongoing engagement, dialogue, and decision-making are facilitated and encouraged. Roles and accountability are clear and the community drives the process.

Collaborative. Decision-making power is shared and protocols are in place to support consensus-building and collaborative problem-solving. The process is designed to support

dialogue, honesty, and transparency. All those involved have a shared commitment to serve the community in the best way possible. The process itself should make collaboration easier and more beneficial than competition.

Learning approach. A new model will feel risky. We know the benefits and shortcomings of the current model well and we understand that it may feel safer to tinker with what exists rather than create something different. Creating a new model will require a shared commitment to learning, changing things as we go, admitting and accepting our mistakes along the way, and establishing a strong model for evaluation. It will require learning from other jurisdictions and each other.

Closing

As members of the Social Services Sector Round Table Reference Group, we appreciate the opportunity to provide this feedback. We are open to working with the Ministry of Finance on any next steps as it relates to policy review and reform of the CPPM. We hope that this will be treated as a preliminary submission with the expectation that government will actively engage and work with the sector in considering alternatives.

Submitted on behalf of the following organizations:

Affiliation of Multicultural Societies and Service Agencies of BC (AMSSA)
ASPECT BC: Association of Service Providers for Employability & Career Training
BC Association for Child Development and Intervention (BCACDI)
BC Association of Aboriginal Friendship Centres
BC Association of Community Response Networks
BC CEO Network
BC Society of Transition Houses
Board Voice Society of BC
Ending Violence Association of BC
Inclusion BC
Options for Sexual Health BC
PAN (Strengthening BC's collective action on HIV, hepatitis C, and harm reduction)
PARCA (represented by Tim Agg and Anne Kimmit)
Police Victim Services of British Columbia
The Federation of Community Social Services of BC
Vantage Point