

## First Nations Child and Family Services (FNCFS) Project – Phase 2

May 2020 monthly update

IFSD is pleased to provide the eighth monthly update to its stakeholders on the progress of the First Nations Child and Family Services (FNCFS) Project – Phase 2.

### Principal updates

- We hope this update finds you, your families, communities and agencies safe and well as we collectively deal with the COVID-19 pandemic.
- IFSD is pleased to share an overview of the funding approach architecture, to support the well-being of those they serve, however that may be best achieved.
- IFSD is grateful to the agencies who continue to share their experiences for this work through survey participation and meetings via distance. IFSD welcomes your feedback throughout this work.
- In spite of the national health and economic circumstances, IFSD is continuing its work with stakeholders on the FNCFS project.

Are you an agency that hasn't yet participated in the questionnaire?

[Connect with IFSD](#) or [download the questionnaire](#)

## IFSD's mandate

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- With the endorsement of the National Advisory Committee (NAC), IFSD was asked by the Assembly of First Nations (AFN) and the Caring Society, to define a **funding approach** and **implementation plan** for First Nations child and family services.
- This project (Phase 2) builds on the findings and recommendations of the Phase 1 report, [\*Enabling First Nations Children to Thrive\*](#) that was accepted by NAC in February 2019.
- The purpose of this project is to present stakeholders with a funding **structure**; a means of developing **evidence** to understand the well-being of children, families and communities; and a range of scenarios to **cost** the proposed approach.

## Project overview

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- This project will deliver:
  - 1) Overview of ISC's current spending
  - 2) A framework to understand well-being (Measuring to Thrive)
  - 3) Funding approach architecture
  - 4) Transition plan from the current to proposed future state
- IFSD's mandate is to provide evidence and analysis for stakeholders, in response to the CHRT's findings that the current system and funding are discriminatory. IFSD will present various scenarios and will make recommendations based on the project's evidence. **It is for stakeholders to determine how the analysis is leveraged.**

## Funding for outcomes

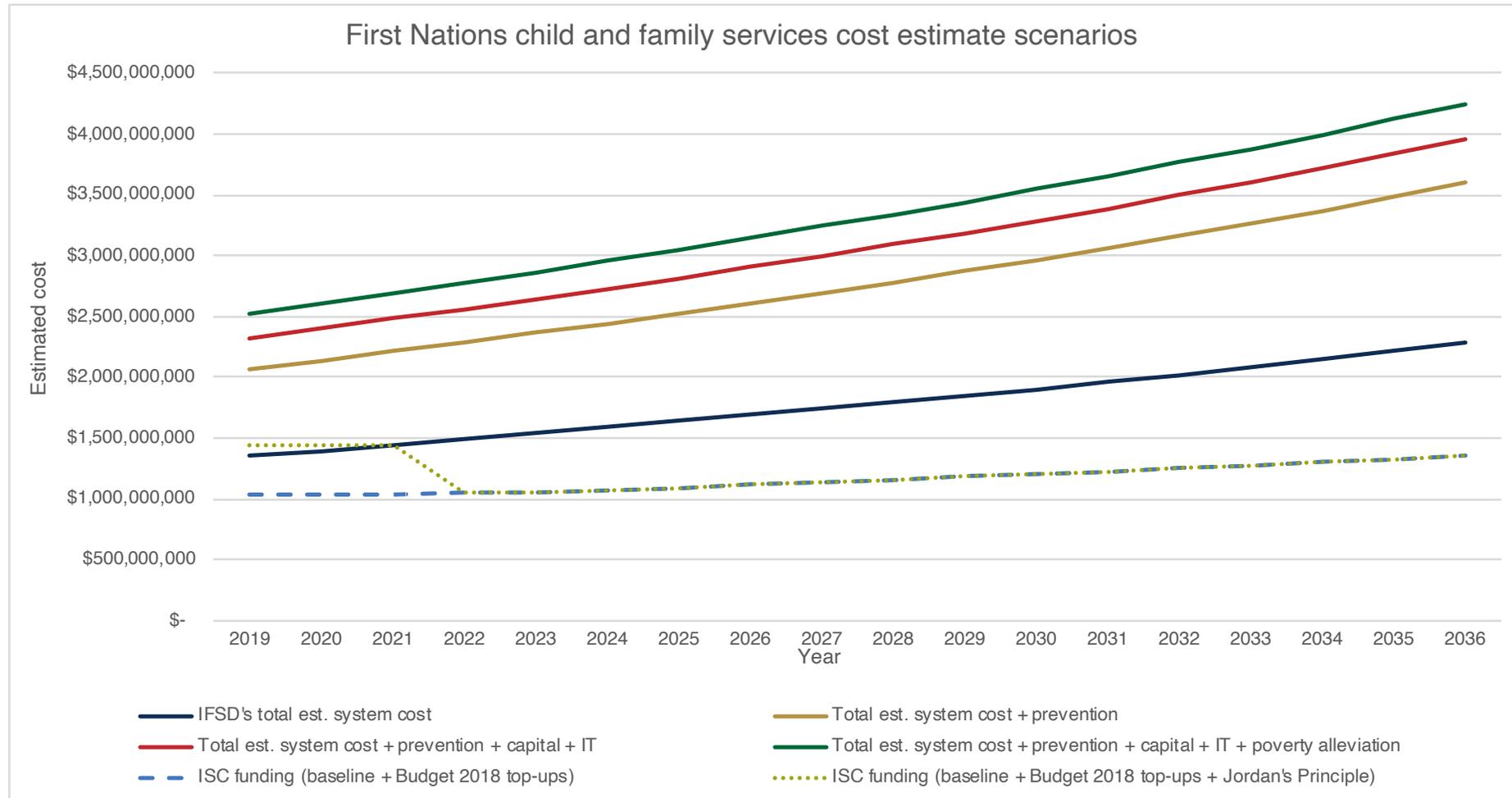
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- The pre-ambule of *An Act respecting First Nations, Inuit and Métis children, youth and families* commits the federal government to “to engaging with Indigenous peoples and provincial governments to support a comprehensive reform of child and family services that are provided in relation to Indigenous children”.
- The proposed funding approach responds to the requirement in the Act to determine fiscal arrangements that address long-term positive outcomes, substantive equality, and needs. Designed and built from the bottom-up, this funding approach captures a critical mix of resources and structures for thriving First Nation children, families, and communities, as expressed by those working on the ground.

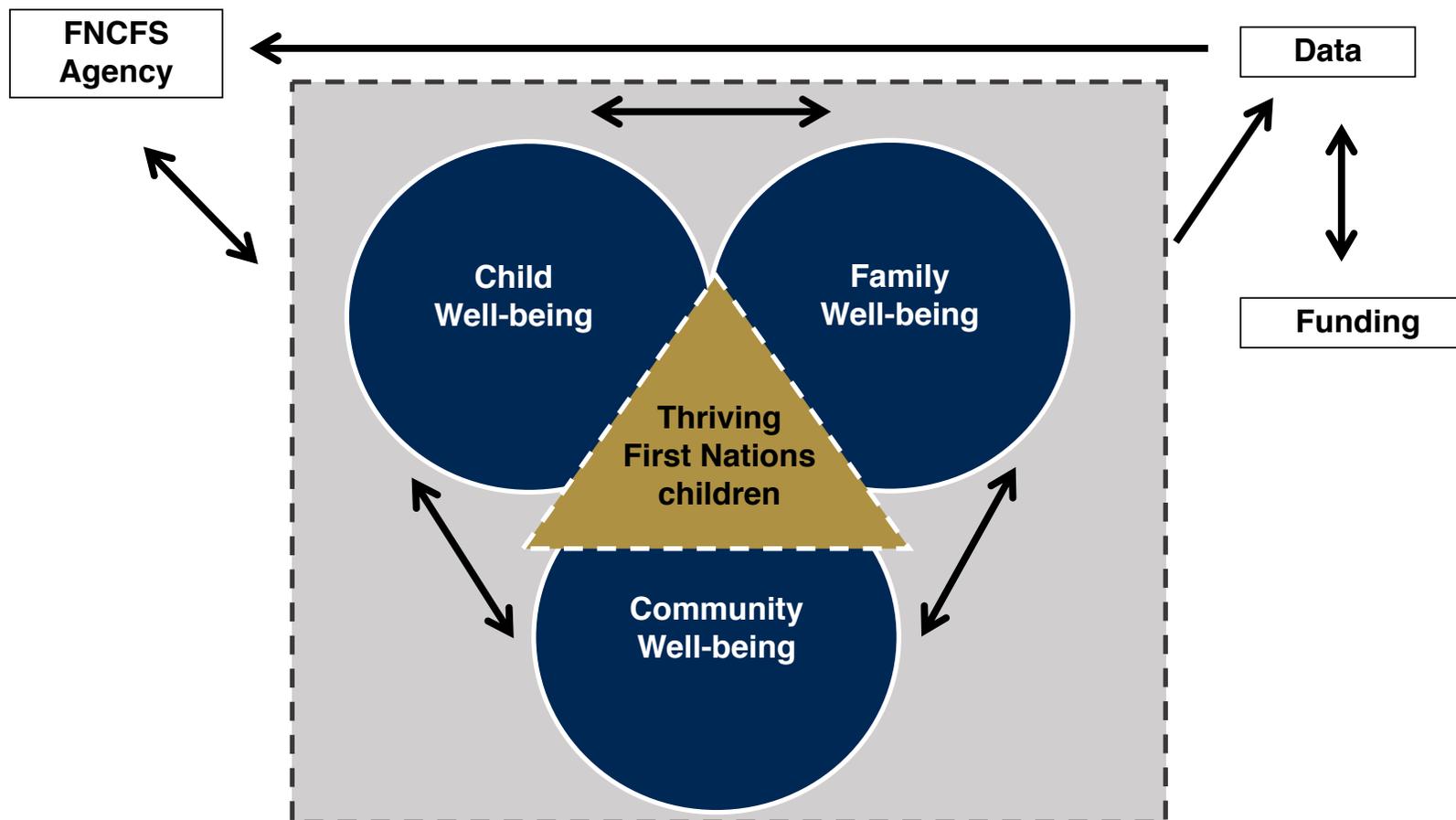
# Phase 1: identifying gaps and charting a course forward

- Phase 1 analysis identified and costed gaps in agency budgets.
- Phase 2 builds on this analysis by adjusting funding approaches by relevant factors: poverty; geography; prevention; IT; capital.



## Measuring to thrive

- The vision in [Measuring to Thrive](#) is expressed through three interrelated elements: the well-being of communities, families and children.



## Measuring to Thrive (cont.)

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- The intent of Measuring to Thrive, is to provide FNCFS agencies with a portrait of the people they serve and the context in which they operate to support enhanced decision-making and eventually, to better inform funding approaches.
- The Measuring to Thrive framework will help to pinpoint challenge areas for agencies, and offer an evidence-focused means of readjusting their plans and priorities.
- This framework will help to define two-way accountability between the federal government as funder and the agency as service provider.

## The business case for performance

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Current state	Proposed future state
<ul style="list-style-type: none"><li data-bbox="392 446 1210 489">■ Funding driven by children in care</li></ul>	<ul style="list-style-type: none"><li data-bbox="1240 446 2058 539">■ Funding driven by indicators of well-being</li></ul>
<ul style="list-style-type: none"><li data-bbox="392 565 1210 658">■ Top-down; formula-based funding with ad-hoc supplements</li></ul>	<ul style="list-style-type: none"><li data-bbox="1240 565 2058 708">■ Bottom-up budgeting complemented by need and performance components.</li></ul>
<ul style="list-style-type: none"><li data-bbox="392 736 952 779">■ Mixed governance model</li></ul>	<ul style="list-style-type: none"><li data-bbox="1240 736 2058 829">■ First Nation control (<i>An Act respecting First Nations, Inuit and Métis children</i>)</li></ul>

## Funding foundations

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- Children, families and communities have needs. Some may need more support than others for various reasons.
- Professionals and communities should have the tools and resources necessary to address the *causes of the causes* of need.
- The choice of tools should not have averse fiscal consequences, when accountable decisions are made for the well-being of children, families and communities.

Such an approach is consistent with the principles in *An Act respecting First Nations, Inuit and Métis children*: substantive equality, the best interests of the child, culturally-informed approach.

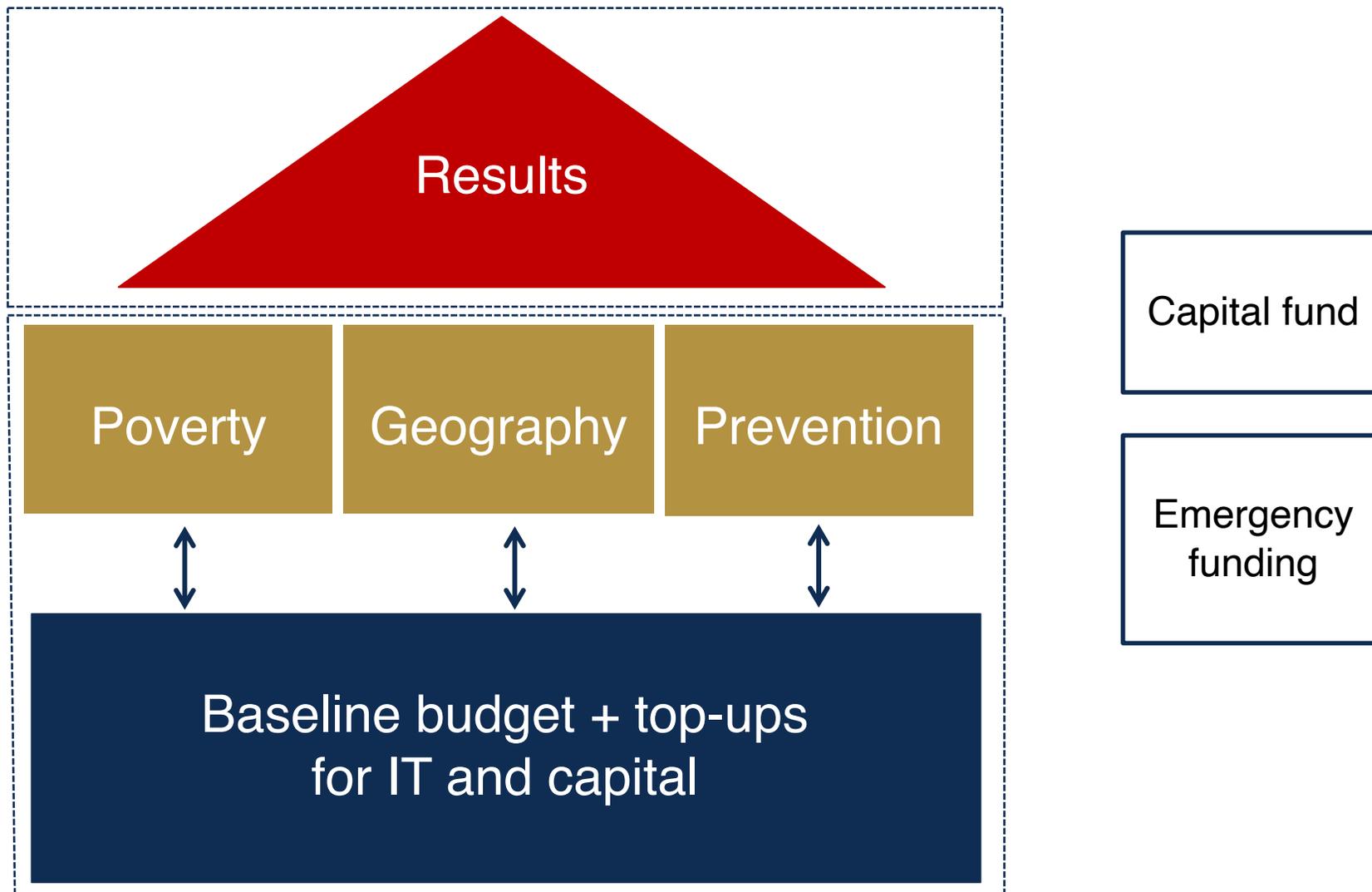
## Funding foundations (cont.)

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- The proposed funding approach would guarantee a baseline amount of funding for service providers.
- This funding floor would be set based on 2018-19 budgets with top-ups for funding gaps.
- Transferred as a block, service providers would be required to work within defined revenue parameters, allocating resources to best meet the needs of their communities.
- As service providers, agencies would bear the risk of ensuring funding is well allocated to achieve desired results.
- They would also benefit from being able to run their organizations to support the well-being of those they serve, however that may be best achieved.

## Funding approach architecture

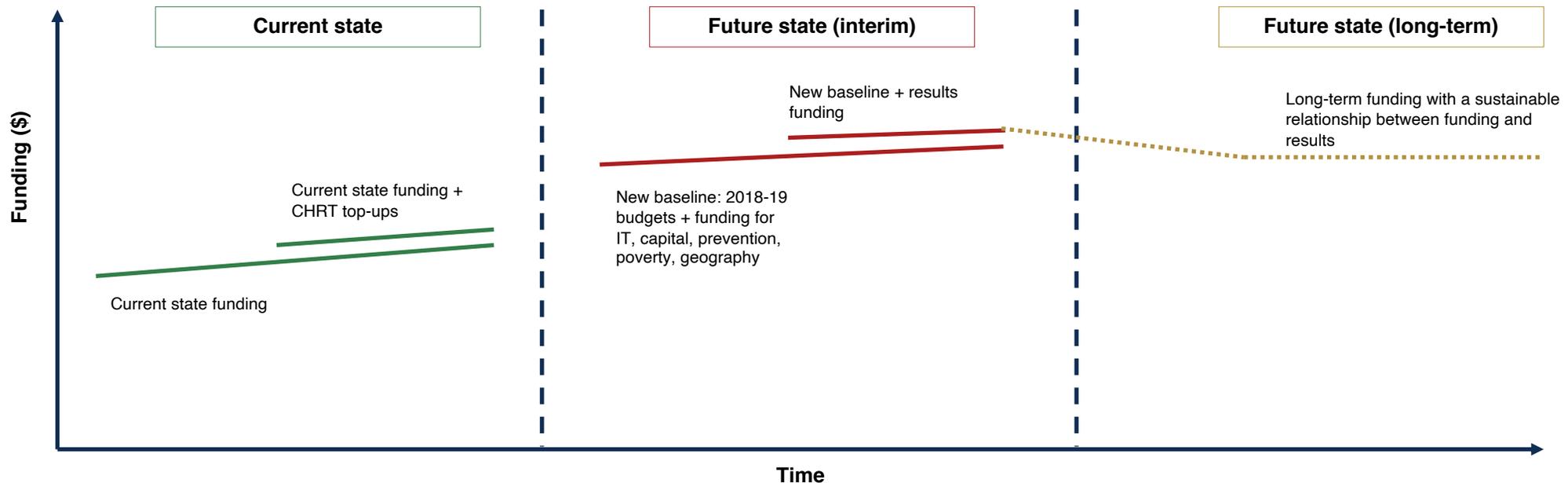


## Quantifying factors

Factor	Quantification
<b>Poverty</b>	- Household basis; relative to provincial poverty line; Census 2016 data.
<b>Prevention</b>	- \$800, \$2,000 or \$2,500 per person in communities served.
<b>Geography</b>	- Quotient or factor increase to budget based on location; to include wage adjustment, capital cost adjustment, service cost adjustment.
<b>Capital</b>	<ul style="list-style-type: none"> <li>- Percentage (e.g. 2%) of total budget for capital maintenance.</li> <li>- Fund for major capital projects, e.g. new building, extensive renovation, etc. Available by application to agencies through a fixed pot.</li> </ul>
<b>IT</b>	- 5-6% of total budget; industry standard for not-for-profit service organizations.
<b>Results</b>	- Funding to support goals in the Measuring to Thrive framework. Available through a fixed pot or budget top-up.
<b>Emergency fund</b>	- The funding will be available to support responses to unanticipated circumstances related to CFS, that affect demand for an agency's core services. Available through a budget top-up or fixed pot available to agencies.

## Macro perspective

- The proposed funding approach would address existing funding gaps, increasing budgets for at least, the next five years (or until context changes).
- Working to improve well-being means redirecting resources to prevention and well-being services (rather than protection); it does not mean reducing need for child and family services. Over the long-term, we expect the relationship between spending and results to change.



## Good governance: First Nations led secretariat

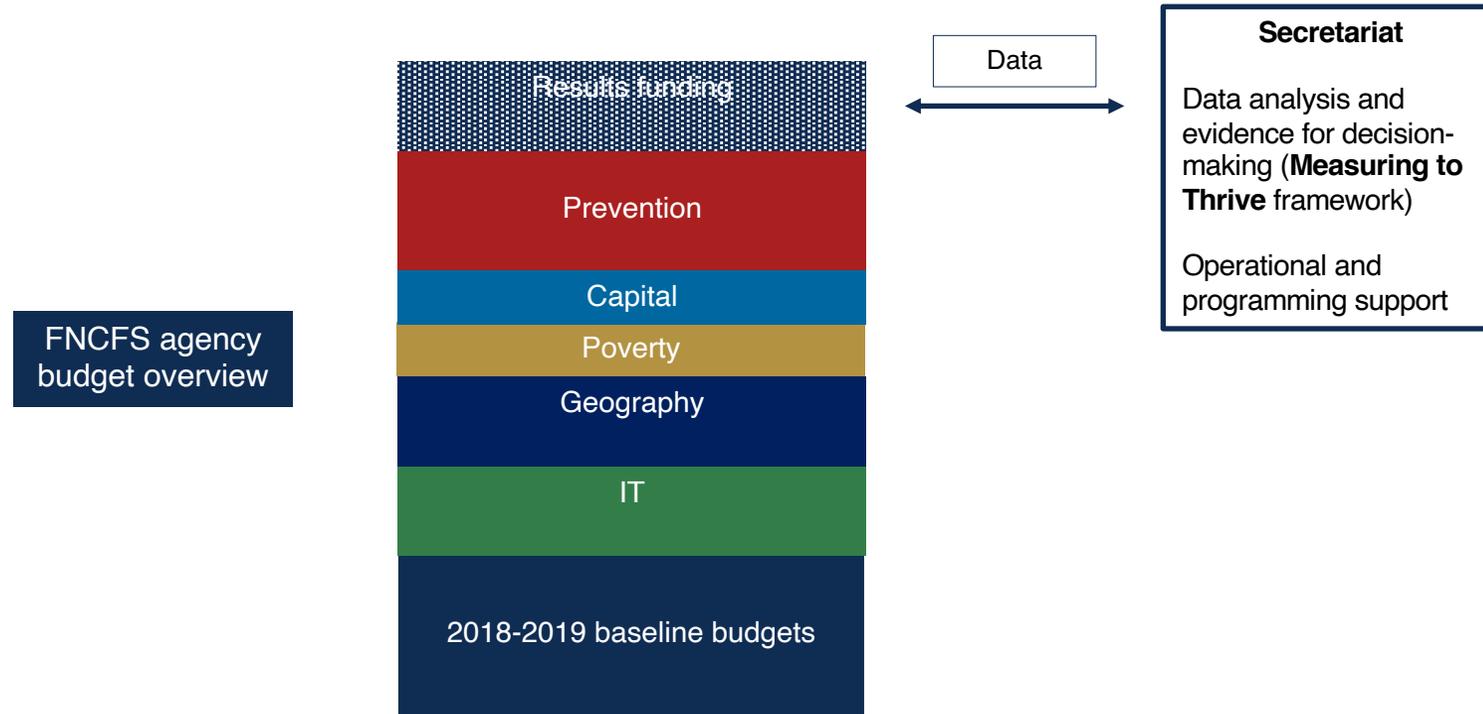
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- The secretariat will be designed as a First Nations-led dual-mandate organization.
- As the trusted third-party among stakeholders, the secretariat would be a neutral expert organization governed by a board of directors.
- The secretariat would be a centre for best practices, operational support and results-funding allocation.
- With two main branches of activity: 1) data/evidence and 2) operations and programming, the secretariat will serve as a centre of excellence for FNCFS agencies in Canada.

# The big picture

- Funding structure (how money moves) + performance (evidence for decision-making) + governance (operational support and accountability)



## This might not be easy...

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- Change is challenging
- Shifting from the current to future state system will require an openness to:
  - Collaboration
  - In-course adjustments
  - Unforeseen challenges
  - Data-driven approaches
  - Teaching and learning

## Get in touch

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Helaina Gaspard, Ph.D.

Email: [helaina.gaspard@ifsd.ca](mailto:helaina.gaspard@ifsd.ca)

Mobile: 1 613 983 8461

Institute of Fiscal Studies and Democracy (IFSD)

University of Ottawa

[www.ifsd.ca/fncfs](http://www.ifsd.ca/fncfs)