

Briefing Note: Bridging Community Service Provision through the Pandemic & Recovery (condensed)

Since the onset of the COVID-19 pandemic, Canada's human service infrastructure has mobilized to serve marginalized community members at a time of widening inequalities. We have helped mitigate the worst public health outcomes, to level some effects of long-standing social inequities, and strengthen community capacity and an ethic of care for people in vulnerable circumstances.

- Government's emergency investments in community services have been critical; but organizations face serious fiscal challenges not addressed by federal programs to date.
- Many organizations are facing real threats to their short- and long-term sustainability with operational funding at risk due to significant declines in revenue. Most organizations' revenue is generated through philanthropy, earned income (i.e. fees for service) and grants and women comprise 70% of employees.
- To address this, Boys and Girls Clubs of Canada, Big Brothers, Big Sisters, National Association of Friendship Centres, United Way Centraide Canada, YMCA Canada and YWCA Canada have proposed a **Community Services COVID-19 Relief Fund (CSCRF)** for Budget 2021. Its goal is to provide temporary 18-month bridge funding to support the ongoing work of organizations providing front line human and community services, including independent community organizations led by, serving and focused on communities in vulnerable circumstances, such as BIPOC and women's organizations.
- <u>The Veterans Organizations Emergency Support Fund</u>, providing grants to address financial hardship or imminent closure related to COVID-19, shows government understands the implications of pandemic related financial shortfalls for service organizations.
- Bridging critical human services through the pandemic through the CSCRF will enable organizations to better support the government's recovery agenda: on gender equality, ELCC, poverty reduction, housing, job creation and more. This investment is essential to drive a she-covery and enable sector modernization.

The CSCRF is a smart, temporary investment to sustain the critical human and community infrastructure that the government needs in order to deliver on its commitments. It has the potential of reaching thousands of communities across the country. It consists of two main elements in the order of magnitude of \$500-700M:

1. A **Bridge Operating Grant** that provides targeted support and addresses gaps in fixed costs not covered by other programs over the next 18 months to allow time to get past COVID-19 impacts. It's intended outcomes include sustaining vital programs and services that serve people in vulnerable circumstances, helping to preserve viable organizations in the long-term to continue to deliver valuable services, protecting important community facilities for future generations (like YMCA Centres of Community). To qualify, applicants would need to demonstrate loss of revenue, change in operating costs due to COVID-19 and a sustainability risk assessment

2. A **Transformation Fund** to support building back better within the sector, aligned with Minister Hussen's mandate to modernize the sector. This includes dedicating funding to program and operating model transformation, including technological and data advancements that improve service delivery. It involves providing capital funding for organizations to look at new operating models (mergers, amalgamations, technology infrastructure) to build longer term resilience and stability and service system redesign to improve delivery models including whole service system redesign based on COVID-19 learnings. This would build more resilient organizations that are adaptable and better able to respond to evolving needs.

The COVID-19 pandemic has confirmed the value of Canada's human services infrastructure in no uncertain terms. As a temporary program, CSCRF would be a vital component of Canada's pandemic response and recovery; preserving critical services and social and physical infrastructure and contributing to service transformation in order to build back better.