![Niagara Region logo]

Subject: Niagara Prosperity Initiative Fund and Grant Program

Report To: Public Health and Social Services Committee

Report date: Tuesday, July 9, 2024

Recommendations

1. That the use of granting **BE APPROVED** for the funding allocation pursuant to the "Niagara Prosperity Initiative" (NPI) as a second pilot project (of the granting approach) to respond to the recommendations in the Niagara Poverty Reduction Strategy (NPRS);

2. That the Commissioner of Community Services **BE AUTHORIZED** to build on the learnings from the" Building Safer Communities Grant Program" when developing the necessary procedures to implement the use of granting for the Niagara Prosperity Initiative and execute any agreements and ancillary documents as required to allocate funding under the Niagara Prosperity Initiative in a form satisfactory to the Director, Legal and Court Services, and contingent on annual operating budget approval of NPI investments from 2025 to 2027; and

3. That staff **REPORT BACK** on the outcome of the second granting pilot and the potential to establish a corporate grant policy and procedure, subject to Council approval, to provide a fair, open and transparent method for allocating funding to advance future Community Services' programs and initiatives.

Key facts

- The purpose of this report is to seek Council approval for a second pilot for the Grant program as a means to allocate Niagara Prosperity Initiative (NPI) funding aligned with the Niagara Poverty Reduction Strategy.

- The community-led [Niagara Poverty Reduction Strategy (NPRS)](https://www.niagararegion.ca/community-safety/poverty-reduction-strategy/default.aspx) (https://www.niagararegion.ca/community-safety/poverty-reduction-strategy/default.aspx) was presented at Committee of the Whole on March 7, 2024.

- The strategy is used to inform where to best invest resources to gain the greatest impact in poverty reduction.

- The community identified eight Areas of Focus, with one recommendation for each area and a set of actions that addresses the issue of poverty.

- To mobilize the strategy, the grant program will be used to distribute funds to community-led programs as opposed to traditional methods of procurement.

Financial Considerations

NPI investments are 100% levy funded as part of the Community Services operating budget and have been allocated annually since 2008, reaching up to $1.5 million per year. As a measure to help mitigate the overall levy budget increase, the annual allocation for 2024 was reduced to $1.2 million.

The future level of funding available for the NPI program that targets poverty prevention and elimination in Niagara will be up to $1.5 million per year, contingent on the amount that Council approves for NPI investments annually from 2025 to 2027. The funding covers the investment in the individual projects approved, estimated $1.4 million per year for three (3) years starting in 2025, plus the internal administration costs for staffing estimated at $100,000 per year for three (3) years. Therefore, awarded funding for projects over the three (3) year contracts is anticipated to be $4.2 million in total. This three (3) year grant will be included in the Community Services budget for NPI and is contingent on Council approving the same level of funding throughout 2025-2027.

Analysis

Poverty Reduction Strategy

In March 2024, Niagara Region released the Niagara Poverty Reduction Strategy (NPRS). The strategy reflects concerns, opportunities and actions identified by residents during a broad engagement process and outlines eight Areas of Focus with one recommendation for each area. The Areas of Focus are: Indigenous Well-Being, Housing, Income, Employment, Food Security, Early Child Development, Transportation, and Mental Health and Addiction.

The strategy will play a significant role to inform where to best invest resources to have the greatest impact on poverty reduction.

Niagara Prosperity Initiative

One Niagara Regional program that has a direct goal to alleviate and reduce poverty in Niagara is NPI. Since its inception in 2008, Regional Council has made an annual investment in the NPI program with the purpose of supporting poverty reduction and prevention activities.

Niagara Prosperity Initiative has six principle objectives:

- Low-income people become more self-sufficient
- The conditions in which low-income people live are improved

- People with low incomes are engaged and active in building opportunities in communities
- Partnerships among supporters and providers of services to low-income people are achieved
- Agencies increase their capacity to achieve results
- Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments

NPI Grant Program

Objectives

Program staff recommend, in alignment with other municipalities across Ontario, the release of funding to support Poverty Reduction Initiatives through a Grant program. A granting approach to redistribute NPI funding (as opposed to a traditional procurement approach) is being used by the municipalities of Hamilton, Peel, Toronto, and others. The NPI Grant Program will be used to fund community-based poverty alleviation and reduction initiatives for people living in poverty. Community organizations may apply for funds to develop and deliver initiatives for targeted investment aligned with the NPRS in the following areas:

- Indigenous well-being – working in partnership with Indigenous community leaders using a community driven process to develop strategies for Indigenous specific poverty reduction initiatives
- Housing and Early Childhood Development – provide housing stability services for people living in poverty and strengthen supports for children transitioning out of shelter
- Mental Health and Addiction – enhance core service capacity and offer a choice of timely, early recovery interventions and treatments for people on social assistance or those experiencing homelessness
- Income and Employment – increase opportunities for decent work, living wage employment and financial empowerment initiatives
- Food Security – improve access to fresh, culturally appropriate, affordable and nutritious food through interventions that reduce barriers to food access in priority neighbourhoods

Guiding Principles

The NPI Grant Program will be guided by the below values and principles:

- Fairness, Integrity and Transparency: The decision to grant funding and the application process is fair, impartial and transparent, and conforms to applicable legal requirements.
- Accountability: Community Services ensures that funded activities address local needs, and that the progress of funded activities is regularly and publicly monitored and reported. Grant recipients are responsible for delivering the activities for which the funds were received and subject to appropriate accountability mechanisms and oversight.
- Value for Money: Community Services makes efficient and effective use of public resources for grants. Grant funding produces the best value where expected outcomes are clearly defined, and programs and organizations are focused on enabling and achieving those outcomes.
- Reciprocal Respect: There is respectful, open and ongoing communication between Community Services and grant recipients.
- Equity and Inclusion: Community Services will engage diverse residents, including groups that have been traditionally underrepresented and/or marginalized from access to services, to identify and review community needs and trends so that the NPI Grant Program is informed by and responsive to local needs.
- Flexibility: In alignment with appropriate and transparent financial guidelines and funding allocation, budget flexibility allows grant recipients to adjust and innovate program delivery throughout the course of the grant to ensure expected outcomes and community needs are met.
- Clarity and Consistency: Community Services uses common processes, tools and templates as appropriate to create administrative efficiencies and support consistency in the oversight and application of grants

Eligibility Criteria

To be eligible to receive a grant under the NPI Grant Program, all organizations must meet the following conditions:

a. The services funded through the grant shall take place within the boundaries of the Niagara region;
b. The organization shall provide information that demonstrates it does not, in the absence of the grant, have the financial resources necessary to undertake the activity for which the grant is requested;
c. The organization shall have legal not-for-profit or charitable status or be an urban off-reserve Indigenous-led organization or community centre;
d. The organization has been in existence for a minimum of one year;

e. The organization shall not be or have not been indebted to the Region or be in default of the terms and conditions of any agreement (including any previous grant agreement) with the Region of Niagara; and,

f. The organization must submit a completed application form and confirm that all information provided in the application form and related documents is true, correct and complete, as verified by an authorized official of the organization.

Outreach and Engagement

Program staff will develop an outreach plan which outlines the approach to sharing information about the NPI Grant Program with organizations across the region of Niagara. The outreach plan will include the promotion of the grant program through local planning tables, foundations, an agency distribution list, information sessions with community partners and use of Regional social media. The core purpose of this outreach is to ensure that as many potential applicants as possible are directly informed or have access to appropriate information regarding the NPI Grant Program.

Application Process

Program staff will ensure procedures are developed which describe the above eligibility criteria, the application submission process and how applications will be evaluated and approved. It is anticipated that the Call for Applications will be issued in early Fall 2024 and will remain open for a 4-week period.

Lastly, program staff will develop an application form to seek information from applicants, including their organizational information, how their program/service will align with the grant objectives, a description of the target population, equity considerations, evidence of need, a description of collaboration / partnerships, proposed use of funds / resources and a work plan (i.e., activities, key performance indicators, targets and outcomes).

These documents and the application submission process will occur online using a grant management platform – Good Grants, which was used successfully for the previous grant pilot program (Building Safer Communities). This grant management platform provides a number of features which can enable administrative efficiencies in applying for and evaluating applications, such as: an applicant portal; customizable online application forms; collaborative submissions; communication in one place between staff, reviewers and applicants; audit trails; integrated review portal/process; and, integrated reporting.

Review Process

A Grant Selection Panel, consisting of staff and community members and subject matter experts, will assess grant applications to support funding recommendations. Panel members will be selected on the basis of expertise, including lived expertise, and shall reflect the diversity of Niagara region and be required to confirm that they do not have a conflict of interest. Those with a declared conflict of interest will not participate in the assessment, the discussion of those particular applications and/or will not participate in the selection panel.

Grant selection panelists will use a standardized scoring matrix to review applications that is currently under development (see Appendix A: Scoring Matrix provides a preliminary outline, based on the evaluation criteria used previously in procurement processes for the NPI program, to be further refined as the pilot is further developed, subject to Council approval of this report). Program staff will support with the orientation and onboarding of panelists to the grant management platform and offer associated training to support them in their role as evaluators.

Awarding and Post-Award Feedback

The highest scoring applications as determined by the Grant Selection Panel, will be further reviewed and considered by staff in light of program objectives for purposes of advancing funding recommendations to the Commissioner for consideration and approval. All applicants shall be informed that they can request a follow-up meeting with program staff regarding the outcome of their grant application. Applicants will be provided with the ability to meet with program staff involved in the review process to receive feedback, including the decision rationale based on the application evaluation results.

Agreements

Prior to receiving a Grant, successful applicants shall be required to enter into an agreement with Niagara Region outlining the terms and conditions for receiving the Grant, in a form satisfactory to the Director of Legal and Court Services. Execution of agreements are contingent on the amount that Council approves for NPI commencing January 2025.

Funding Cycle

Community agencies will be able to apply for three years of funding for initiatives that align with the NPRS which address poverty. The three-year grant cycle supports the recommendations outlined in the NPRS, to provide longer funding terms for programs to help address the unpredictability and fragmentary nature of services provided through time-limited contracts. In addition, it aligns with granting timelines from other levels of government and funding bodies.

Funding will begin for year one projects once Council has approved the 2025 budget. Annual reports and reviews will be required and funding for year two and three will be contingent on the success of the projects and approval by Council for continued NPI investment included in the 2026 and 2027 operating budgets.

Reporting

Program staff will ensure that information related to funded initiatives / activities and evaluation metrics are made publicly accessible on the regional website. NPI program updates will be rolled into annual NPI progress reports that highlight updates, milestones, next steps and new activities for Council.

Report back the outcome of the grant process

As shown through the initial evaluation of the Building Safer Communities Grant Pilot Program, the grant process has proven to be an effective option to allocate funds to the community. Most agencies found value in the granting process, noting the simplified application process, expedited timelines and community collaboration.

The flexibility afforded in the granting model decreases barriers for agencies, including financial and administrative resources, while still upholding a rigorous, fair and transparent funding process.

Using granting to distribute the funds allocated to NPI is anticipated to further allow for community involvement and enhance the current granting policy and procedures that are well underway. Staff will bring a report to Council on the outcomes of the NPI grant process and the successful applicants of the funding in fall 2024.

Alternatives Reviewed

Alternative methods of awarding funding through traditional procurement methods (e.g., Request for Proposals) can be utilized but may impede the ability to distribute funds to community organizations within constrained limited project timelines, can be

administratively burdensome to community organizations and present additional costs to community organizations to access and submit bid documents. Granting allows for flexibility in design and equity-based considerations when awarding funds to successful recipients.

Relationship to Council Strategic Priorities

This recommendation is aligned to Council's strategic priority of ensuring an "Equitable Region" by listening and responding to community needs and planning for future growth.

The Niagara Poverty Reduction Strategy is an action within the Equitable Region. The use of the Niagara Prosperity Initiative granting program improves access to funding opportunities for community agencies to implement recommendations in the poverty strategy.

Other Pertinent Reports:

- Committee of the Whole Presentation, Niagara Poverty Reduction Strategy, March 7, 2024
- COM 14-2024 – An Evaluation of the use of Granting for the Building Safer Communities Grant Program Pilot

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This report was prepared in consultation with Marc Todd, Manager, Community Services, and reviewed by Donna Gibbs, Director of Legal and Court Services and Donovan D'Amboise, Manager, Program Financial Support.

Appendix 1 Niagara Prosperity Initiative Grant Program: Scoring Matrix (Under Development)

Review Criteria	High (4-5)	Medium (2-3)	Low (0-1)
Alignment with Niagara Poverty Reduction Strategy Objective(s)	• The submission is clearly aligned with poverty prevention and reduction objective(s) and identified in a manner that is impactful • Clearly supports individuals and/or families that are living in poverty.	• The submission is mostly aligned with poverty prevention and reduction objective(s) and identified in a manner that is somewhat impactful • Somewhat supports individuals and/or families that are living in poverty.	• The submission lacks full alignment with poverty prevention and reduction objective(s) and has some alignment but unlikely to be impactful • Lacks evidence that the application would support individuals and/or families that are living in poverty.
Target Population	• Target population is clearly identified using sociodemographic descriptors (i.e., age, gender, race and/or other factors are provided) • The program/initiative is likely to have a high level of impact on people living in poverty • Target population is clearly identified	• Target population is somewhat identified (may be missing some sociodemographic descriptors) • The program/initiative is likely to achieve a moderate level of impact on people living in poverty. • Target population is mostly clear with some minor information gaps	• •Target population is not clear (there are multiple sociodemographic descriptors missing or none at all) • The program/initiative is likely to achieve minimal or no impact on people living in poverty. • Target population is not clear or there are significant information gaps
Evidence of Need	• Clearly demonstrates a need for the proposal	• Mostly demonstrates a need for the proposal through somewhat	• Does not demonstrate a need for the proposal

Review Criteria	High (4-5)	Medium (2-3)	Low (0-1)
	through strong use of evidence • The evidence provided is congruent with the need that will be addressed by the program/initiative (i.e., identified need and project outcomes are highly aligned) • Evidence provided is appropriate for the nature of the request; if evidence is unavailable the applicant has demonstrated how they will contribute to improving the availability of evidence of the issue • The proposal clearly demonstrates how the program/initiative will address a gap in services or will complement existing services • The applicant has clearly identified why the program/initiative should be considered a priority in Niagara	satisfactory use of evidence • The evidence provided is mostly/somewhat congruent with the need that will be addressed by the program/initiative (i.e., identified need and project outcomes are mostly/somewhat aligned) • Evidence provided is mostly appropriate for the nature of the request; if evidence is unavailable the applicant has somewhat demonstrated how they will contribute to improving the availability of evidence of the issue • The proposal somewhat demonstrates how the program/initiative will address a gap in services or will complement existing services • The applicant has mostly/somewhat identified why the program/initiative should	through use of evidence, or evidence is weak • The evidence provided lacks congruency with the need that will be addressed by the program/initiative (i.e., identified need and program outcomes are poorly aligned) • Evidence provided is not appropriate for the nature of the request; if evidence is unavailable the applicant has not demonstrated how they will contribute to improving the availability of evidence of the issue • The proposal does not demonstrate how the program/initiative will address a gap in services or will complement existing services; the proposal may duplicate current services • The applicant has made only a limited case (or not at all) for why the

Review Criteria	High (4-5)	Medium (2-3)	Low (0-1)
		be considered a priority in Niagara	program/initiative should be a priority in Niagara
Program Sustainability	• There is a high likelihood that the program/initiative will be sustainable beyond the funding period (e.g., clear rationale for how the program will be sustained; program has partners that contribute substantial resources or in-kind contributions; diversified program revenues; builds on a social enterprise model; if the request is for an existing program, there has not been a decrease in revenues over the past 12 months)	• It is somewhat likely that the program/initiative will be sustained beyond the funding period (e.g., some rationale for how the program will be sustained; program has partners that contribute some resources or in-kind contributions; somewhat diversified program revenues/projections; if the request is for an existing program, there has not been a significant decrease in revenues over the past 12 months)	• It is unlikely that the program/initiative will be sustained beyond the funding period (e.g., limited or no rationale for how the program will be sustained; program does not have partners that contribute resources or in-kind contributions; very little revenue diversification /projected revenue diversification; if the request is for an existing program, there has been a significant decrease in revenues over the past 12 months)
Use of Funds/ Resources	• Proposed use of resources is efficient • Budget is specific and realistic • Budget is clearly aligned with program/initiative activities/outcomes	• Proposed use of resources is mostly/somewhat efficient • Budget is mostly specific and realistic, but requires further clarity in some areas	• Proposed use of resources lacks efficiency • Budget is incomplete, lacks clarity or is unrealistic • Budget lacks alignment with program/initiative activities/outcomes

Review Criteria	High (4-5)	Medium (2-3)	Low (0-1)
		• Budget is somewhat/mostly aligned with program/initiative activities/outcomes	
Work Plan: Goals Activities Targets/Objectives Evaluation Methods	• Clear work plan with alignment between goals, targets, activities, and evaluation methods • Targets/objectives are achievable/realistic and are likely to result in a high level of impact • Targets/objectives are specific/measurable • Clear and realistic evaluation plan; evaluation methods are aligned with the targets/objectives they are intended to measure • There is a clear link between the work plan and other components of the application • Overall, the work plan demonstrates a clear approach to implementation	• Mostly clear work plan with moderate alignment between goals, targets, activities and evaluation methods • Targets/objectives are mostly/somewhat achievable/realistic and likely to result in a moderate level of impact • Some targets/objectives are specific/measurable • Mostly/somewhat clear and realistic evaluation plan; evaluation methods are mostly/somewhat aligned with the targets/objectives they are intended to measure • There are links between most elements of the work plan and other components of the application • Overall, the work plan demonstrates a mostly/somewhat clear	• Work plan lacks clarity, weak alignment between goals, targets, activities, and evaluation methods • Targets/objectives are not achievable/realistic and unlikely to result in meaningful impact • Targets lack specificity/measurability • Evaluation plan is not clear or realistic; evaluation methods lack alignment with targets/objectives they are intended to measure • There are missing links between the work plan and other components of the application • Overall, the work plan does not demonstrate a clear approach to implementation

Review Criteria	High (4-5)	Medium (2-3)	Low (0-1)
		approach to implementation	
Overall Business Case	• This is a strong proposal with a high return on investment • If funded, the proposal is likely to result in a high level of impact • The proposal is addressing a high priority need in the community • It is likely that impact will be sustained beyond the funding period • If appropriate, the proposal demonstrates a highly collaborative approach • If appropriate, a letter(s) of support has been submitted by partner(s) essential for the delivery of the program/initiative • If appropriate, the application demonstrates that it reaches and supports diverse, equity-seeking or marginalized populations in Niagara • If appropriate, the proposal is based on best practices	• This is a somewhat strong proposal with a moderate return on investment • If funded, the proposal is likely to result in a moderate level of impact • The proposal is addressing a moderate level of need in the community • There is an opportunity for impact to last beyond the funding period • If appropriate, the proposal demonstrates a somewhat collaborative approach • If appropriate, a letter(s) of support has been submitted by most partner(s) essential for the delivery of the program/initiative • If appropriate, the application somewhat reaches and supports diverse, equity-seeking or marginalized populations in Niagara	• The proposal is weak and likely to result in a limited return on investment • If funded, the proposal is unlikely to result in significant impact • The proposal is not addressing a priority need in the community • Any potential impact will not be sustained beyond the funding period • A collaborative approach is appropriate for this program/initiative but is not demonstrated • If appropriate, a letter(s) of support has been submitted by only some or none of the partner(s) essential for the delivery of the program/initiative • The application does not reach and support diverse, equity-seeking or marginalized populations in Niagara, even though it

Review Criteria	High (4-5)	Medium (2-3)	Low (0-1)
	or evidence-based practices • Overall, the proposal is a high priority for investment by Niagara Region, as identified in the Niagara Poverty Reduction Strategy	• If appropriate, the proposal demonstrates some alignment to best practices or evidence-based practices • Overall, the proposal is a medium range priority for investment by Niagara Region, as identified in the Niagara Poverty Reduction Strategy	would be appropriate to do so • An approach based on best practices or evidence-based practices is appropriate for this program/initiative but is not demonstrated • Overall, the proposal is a low range priority for investment by Niagara Region, as identified in the Niagara Poverty Reduction Strategy