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## SPECIAL STUDIES

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# Policy Development and Implementation in Complex Files:

Lessons from the National Homelessness Initiative  
by Ralph Smith

Lessons from “Vibrant Communities”  
by Sherri Torjman

NATIONAL HOMELESSNESS  
INITIATIVE

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# POLICY DEVELOPMENT AND IMPLEMENTATION IN COMPLEX FILES

**LESSONS FROM  
THE NATIONAL HOMELESSNESS INITIATIVE**

by Ralph Smith

**LESSONS FROM  
“VIBRANT COMMUNITIES”**

by Sherri Torjman

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# PREFACE

Case studies are vital research instruments in public administration and public management. They are used to document, reflect, compare, illuminate and help create new theories and understandings. Well-researched critical case studies can provide indispensable knowledge and insight to both public servants and academics on how public policy is developed and how public resources are managed. Effective case studies need to be more than just historical recollections or story telling; they need to explore precise and challenging questions on public management successes and failures. If cast too narrowly, they risk pursuing research questions that are too marginal for a broad readership; if cast too broadly, they risk being overwhelmed with detail, observation and information.

The National Homelessness Initiative is an ideal subject matter for a case study in contemporary policy-making and public management in Canada. It touches upon a large number of dimensions indigenous to all complex policy processes: the diverse nature of Canadian federalism; the federal role in cities and communities; the role of government in

supporting Canada's most vulnerable citizens; how best to secure accountability and measure results across a dense network of government agencies and third party organizations; and how to create vibrant durable community partnerships. Lessons learned from community-based programs such as Vibrant Communities offer complementary insights into the challenging new world of policy.

We are pleased that our departments partnered together to publish this case study. We want to thank Ralph Smith and Sherri Torjman for crafting a frank and reflective study that presents a balanced and thorough commentary on the evolution of the National Homelessness Initiative and Vibrant Communities. We also want to thank the learning specialists and managers from the Canada School of Public Service whose input ensured that this study would be useful to learners at all levels. We are hopeful that federal public servants across Canada will use the case study to find insight on how to navigate the shifting turbulent currents that often affect the policy-making and implementation processes in the federal public service.



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Sherri Torjman is Vice-President of the Caledon Institute of Social Policy. She is the author of many Caledon reports, including *Reclaiming Our Humanity*, *The Social Dimension of Sustainable Development*, *Strategies for a Caring Society*, *Survival-of-the-Fittest Employment Policy*, *Innovation and Community*

*Economic Development, The Key to Kyoto, Are Outcomes the Best Outcome?* and *Proposal for a National Personal Supports Fund*. She is co-author of Caledon's *How Finance Re-formed Social Policy*, *Opening the Books on Social Spending* and *Lest We Forget: Why Canada Needs Strong Social Programs*.

Ms. Torjman wrote the welfare series of reports for the National Council of Welfare, and has authored four books on disability policy. She has worked for the House of Commons Committee on the Disabled, the House of Commons Committee on Child Care, and the Royal Commission on New Reproductive Technologies. She is Co-chair of the Technical Advisory Committee on Tax Measures for Persons with Disabilities announced in the 2003 federal budget. This committee reports to the ministers of Finance and National Revenue ([www.disabilitytax.ca](http://www.disabilitytax.ca)).

Ms. Torjman taught a course in social policy at McGill University, and is a former member of board of the Ontario Trillium Foundation.

# EXECUTIVE SUMMARY

“Complex files” are many-layered programs involving a variety of players who need to create links between issues. Governments, which are vertical structures, must learn techniques to succeed in the horizontal environment of complex files. This report describes two related complex files: (1) the federal government’s National Homelessness Initiative and (2) the community-led effort to reduce poverty through the Vibrant Communities initiative.

The authors address these questions:

- How can a government deal with issues that no single department can adequately address?
- How can a government create partnerships between its departments and agencies, with other levels of government, and with communities? How do communities fare with government as a partner?
- How do development and implementation of policy differ when a community rather a government is in charge?

Throughout part 1 are “extrapolations” that summarize the author’s points and extend them into suggestions for policy in wider contexts. Discussion questions are provided for each chapter. Part 2 describes Vibrant Communities, a pan-Canadian effort that explores local solutions to reduce poverty. It is led by three national voluntary organizations and is partly funded by the federal government. This author

discusses the success factors for complex community initiatives in which government is a partner.

The lead organization in each of these case studies is different, but the challenges and lessons regarding complex files turn out to be similar.

- Governments are most effective when they collaborate with other levels of government and communities.
- A shift is occurring from *government* (governing by central rules and regulations) to *governance* (legislation created centrally, then operated by local regulation). Governance involves citizens in solving their own local problems.
- Complex files require strong policy capability and political leadership.
- Management must be horizontal (working across departments and other boundaries), even though government is structured vertically. Partners must clarify all players’ roles and expectations, communicate clearly, include representatives of all sectors, and keep working groups small enough to limit logistical problems.
- Players must understand, respond to and include the diversity in Canadian society.
- All partners must be involved in accountability, and feel free to report honestly on their successes and fail-

ures. Due to the variety of partners, it can be hard to attribute accountability—as well as credit—for results. Files require clear goals, and must measure process as well as outcomes. In some complex files, the only evaluation measures available are qualitative ones.

- Success and sustainability can take years to achieve. This requires a shift in thinking for governments. Government players must plan how to embed the process within the community, and how and when to exit the project.

Further research in this field could include:

- policy: development of government’s capacity to work on complex files; possible barriers embedded in housing and welfare policies; policies that support community work;

- process: accountability models; identification of exemplary practices in Canada and elsewhere; success factors for sustainability.

To develop its capacity to develop and implement complex files, the federal government can conduct the research described above, provide guidance and expertise to help communities plan and operate programs, or discuss possible approaches and solutions with stakeholders.

This report also offers particular lessons for the social development field. In addition to their insights about development and implementation of policy, the social content of these studies is important for disadvantaged Canadians. This report explores in depth an important issue for Canada (and society everywhere).



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# PART I: LESSONS FROM THE NATIONAL HOMELESSNESS INITIATIVE

by Ralph Smith

## CHAPTER 1: THE EARLY POLICY HISTORY

### **The Policy Percolation Period**

In the mid-to-late 1990s, the prevailing opinion in the senior ranks of the government of Canada (GoC) was that they had no particular role in responding to the needs of Canada's homeless people. Leadership on this issue, they suggested, should come from the provincial governments, whose business it was to respond to the most needy through welfare and social services and through the housing programs devolved to them by the GoC in the early 1990s.

Yet, as turn of the Millennium approached, it became apparent that the GoC would find it increasingly hard to ignore the issue. After all, the United Nations had graced Canada with the designation of having the best quality of life in the world. Now, however, there were shocking front-page articles about homeless people found frozen on the streets. Temporary shelters were often filled to capacity and people were turned away. Under bridges, on street corners, in city parks, in alleys, more and more homeless people appeared. They included the stereotypic homeless-the alcoholic single men-but now there were also homeless youth, mothers with children, people with disabilities, refugees, urban Aboriginal people and others whose paths to homelessness were diverse and devastating. One thing was known for sure: the vast majority of them were not on the street because they wanted to be there.

These were economically sound years, especially for Canada's larger cities, which had recovered from the economic downturn of the early 1990s. And it was not surprising that the mayors and organizations of these prospering cities were first to lobby the GoC to show some leadership. It was in these cities that most of the homeless people congregated. Toronto Mayor Mel Lastman was extremely vocal, demanding, among other things, new federal support to deal with impoverished and homeless refugees in Toronto. The mayor established a major task force, led by Dr. Anne Golden, to study the homelessness problem and prepare a comprehensive report. And other economically powerful cities such as Edmonton, Calgary and Ottawa also began to write plans and organize resources in response to homelessness. The Federation of Canadian Municipalities (FCM) began advocating on behalf of its members for financial and program responses from both the provincial and federal governments. In particular, FCM wanted initiatives to make housing and accommodation more available and affordable.

Machinery moved slowly within the government as the external pressure increased. Canada Mortgage and Housing Corporation (CMHC) had been engaged in research on homelessness, and had formed a working group on this topic in 1994. However, in the late 1980s, CMHC had phased out its role on special purpose

housing (such as group homes) because cost sharing was provided through the Canada Assistance Plan (CAP). Then, at the end of 1993, the government decided to stop making new social housing commitments except on First Nations reserves. In 1996, the government offered to transfer what remained of social housing to the provinces and territories. Thus, while recognizing that the answer to homelessness involved more than housing, CMHC was not positioned to take leadership for this file except where it could tweak its remaining housing responsibilities – and these were limited.

The former Human Resources Development Canada (HRDC) was the lead department on the broader social policy issues such as poverty and inclusion, but until the end of the decade, its senior levels were reluctant to elevate homelessness to priority issue status. HRDC saw the response to basic or emergency needs as the domain of the provinces. And if provinces' cuts and tightening of welfare and social services had contributed to the homeless problem, no federal firepower remained to influence provincial decisions after CAP was terminated in 1996. Moreover, HRDC was occupied with other issues, especially negotiating the Labour Market Development Agreements (LMDAs) with the provinces. Nevertheless, HRDC regions such as Ontario made some efforts prior to 1999 to respond as well as they could through their existing employment and local labour market partnership programs. However, these tools required clients to be eligible for Employment Insurance (EI), and so had major limitations.

It was in the Prime Minister's Office (PMO) and Privy Council Office (PCO) where the seeds were being planted, slowly but strategically, for GoC action on homelessness. The PMO in particular had kept a close watch on the issue, and was aware that the pressure points came not from one source, but from organizations, municipalities, members of Parliament, and the general public. Political interest was growing in having the GoC work directly with community organizations

or municipalities, rather than going indirectly through provinces. The PMO closely monitored the extensive work being done by Anne Golden in Toronto and knew in advance that her report would press for direct federal intervention.

## The Exploratory Period

By spring 1999 there was enough of a buzz about homelessness that, on the advice of the PMO, the Prime Minister decided to appoint Minister of Labour Claudette Bradshaw as Federal Coordinator on Homelessness. She had credentials that made her an ideal choice: her pre-political non-governmental organization (NGO) background; her direct and honest way of engaging people at all levels; and her current role as Minister of Labour, with its potential linkages with HRDC's policy and regional capacity.

At this early stage, the Minister's mandate was not perfectly clear. Politically and bureaucratically, there was a powerful dose of skepticism within the government, and a view that the Minister's role was largely to lead a communications exercise.

One of Minister Bradshaw's first acts was to create a small organization, the National Secretariat on Homelessness (NSH). This group, consisting initially of about 12 to 15 people, was to work closely with her office and help her in the consultations she intended to start once Parliament recessed for the summer. She also engaged the Social Policy Branch of Strategic Policy in HRDC to begin work on policy and develop a federal-provincial strategy. NSH began consulting with GoC regions, local members of Parliament (MPs), and municipal and community group representatives, in preparation for the summer.

In July 1999, when many Parliamentarians returned to their constituencies, Minister Bradshaw took to the road. She toured more than 20 communities that summer, in every province and territory. She had long discussions with provincial and municipal politicians – but more particularly she visited shelters for the home-

less and talked with police and social workers. She toured the unseemly sections of cities late at night with the front-line service workers. She listened to what the homeless had to say and she gave them hugs (she was known for her hugs). From this, the Minister and her team got a personal sense of the architecture of homelessness in Canada, and they built up a stock of stories that would be critical in making the case for action upon their return to Ottawa.

In August of 1999, when the tour was nearly completed, a forum at the Chateau Cartier in Aylmer, Quebec, brought in community representatives and senior officials from across the GoC. The salon was packed. The Minister led off with an informal speech laden with stories of the homeless people she had met. There was hardly a dry eye in the audience. The Minister continued to make frequent appearances over the next two days, greeting and hugging old friends and encouraging newcomers to the issue. The participants elaborated on a framework that identified the most vulnerable groups: the mentally ill, individuals with substance abuse problems, refugee claimants, Aboriginal people, youth alienated from their families, and families with children. They also agreed that the problems faced by these groups were varied and complex, and could not be solved by making housing more affordable (although that would be a big part of the answer).

By now, despite a lingering skepticism in government circles, PMO and PCO were thinking that the issue for the GoC was more than just communication. The government should consider some dedicated action.

On completing her tour in September, Minister Bradshaw made a presentation to her Cabinet colleagues. It consisted of a video rather than the usual deck of computer slides. The video, combined with the Minister's words, made an overwhelming case. There was apparently not a dry eye in that setting either.

The October 12, 1997, Speech from the Throne stated that the government would work “with all its partners in all sectors to address the root causes of homelessness and help communities respond to their members’ needs for shelter and other support.”

Addressing “root causes” was a lofty goal indeed. Next was the need to figure out what the government might be able to do to deliver on this commitment, and how partners could be brought to work together.



*I'm not sure... It's either the Homelessness file or the Unified String Theory.*

## Policy in Gear

In the summer and fall of 1999, Social Policy Branch of HRDC took the lead in developing options for Cabinet consideration. A large proportion of the Director General's time was devoted to the file during the development of the Memorandum to Cabinet (MC) and the six months of consultation with provinces and territo-

ries that followed. Under the Director General, a talented and specialized team was quickly assembled, recruiting experts from other departments, CMHC and FCM.

Policy development was a high-pressure assignment, with some federal players such as the Department of Finance still cool on the need for new funding, the winter of 1999-2000 around the corner, with politicians and the public anxious to hear how the government would respond. Moreover, the Minister wanted to announce federal action prior to end of the calendar year; if new money was to be approved for homelessness, it would have to jump the queue for the February 2000 federal budget. This would be no easy task.

Several policy directions were more or less set down by the Minister following her tour.

First, the approach would have to give priority to those most in need, the “absolute homeless”: those who live on the street or in emergency shelters. Because most of the visible homeless under this definition were in the larger Canadian cities, the policy team examined the available street counts and other evidence to select a limited number of cities. This is because it was unlikely that a huge, pan-Canadian program would be approved. Vancouver, Calgary, Edmonton, Winnipeg, Toronto, Hamilton, Ottawa, Montreal, Quebec City and Halifax emerged as “the 10” for focused activity. Taken together, the 10 encompassed about 50 percent of the population of Canada.

Second, the Minister had received lots of confirmation during her tour that the GoC should work directly with communities. Communities, in fact, should play the lead role – planning, deciding and, to the extent possible, administrating. The GoC would sit at the community table, provide advice to the community, and help open the doors and purses of other partners (such as the provinces and the private sector), as well as play its traditional role of funder. The Minister also insisted that the small organizations working on

the front lines should play a leading role, and that the funding should not be funnelled to the “squeaky wheel” larger organizations. As well, the community process had to be as inclusive as possible, bringing in all the key community players who dealt with homeless people, such as governments, the private sector and homeless people themselves.

The policy team examined European and U.S. initiatives for responding to the homeless, and finally adopted some features from the “continuum of care” model used in some American states. The concept was to better connect existing services for homeless people and to fill gaps using funding in part from the federal government and in part from other sources such as charity fundraisers, provincial governments or private-sector charitable giving. The “continuum,” looked at from the perspective of the homeless person, would provide opportunities: first, to be provided safe shelter and sustenance rather than being on the street; second, to receive the necessary shelter and services during a period of transition that may be as short as six months or as long as five years; and third, to be helped attain long-term self-sufficiency and stability in the labour market or community.

In some cases, the American continuum of care had “workfare” elements, so if a client acted irresponsibly in the course of a series of interventions, he or she would no longer be eligible for benefits and services. The Canadian way differed in that it was to be more forgiving and patient, and was named by the policy team as the “continuum of supports,” to establish the distinction.

Social Policy Branch organized meetings with other federal government departments to update them and invite their collaboration. The Director General made informal telephone calls to provincial colleagues, testing their governments’ likely response. The policy team and NSH met frequently with Minister Bradshaw and with executive managers in HRDC, seeking their guidance on development of the Memorandum to Cabinet and on consultation strategies.



Meanwhile, on a related track, CMHC was considering how its residential repair program and support for homeless shelters could be enhanced, and was writing a Memorandum to Cabinet on this issue. One of the problems, once CMHC started its policy work, was the enigma of an “affordable housing solution.” Minister Bradshaw’s tour brought to light some of the many reasons for homelessness, along with the fact that numerous kinds of interventions, of which affordable housing was a crucial component, were needed to create the “continuum.” Other components included health services, counselling, rehabilitation, labour market support and other primarily social but also economic interventions. However, the government was not prepared in 1999 to proceed with an affordable housing initiative.

During this period, NSH provided information for Social Policy Branch to include in the MC. NSH began discussions with the Regional Executive Heads (REHs), preparing them for the lead role in program delivery they would play in the months ahead. NSH regularly surveyed the programs of all departments and federal agencies that had the potential to assist homeless people, and reported on these to Minister Bradshaw. The Minister held regular conference calls with her evolving “regional team,” many of whom she had met on the summer 1999 tour. This included regional heads, Human Resource Centre Canada (HRCC) directors, regional program directors, and lower-level officials who worked in district offices. She inquired about what was happening with community organizations, large and small, and about the specific projects that, in the future, she might be able to assist through funding.

At the interdepartmental tables, some of the players were keenly interested and others participated only so they could brief their ministers on the upcoming MC.

In the summer, it had been unclear if any incremental funding could be approved for homelessness, and many of the players would have been surprised if even

\$70 million could be obtained. Now a range of more costly options was being considered, including significant enhancements to existing programs and/or bringing in a new program or two. It would have been wildly optimistic in the summer to think that \$753 million over three years would be announced before 1999 was over.

## The Initiative is Launched

The \$753 million National Homelessness Initiative was announced by ministers Bradshaw and Gagliano (CMHC) on December 17, 1999, at a youth shelter in Toronto. Toronto’s Mayor Lastman shared the stage, hugging Minister Bradshaw and calling her Santa Claus. Media stories were generally positive. The provinces had been briefed about the announcement in advance, but HRDC Minister Jane Stewart was meeting that same day with the Federal-Provincial-Territorial Council on Social Policy Renewal. She discovered that some of her provincial colleagues were less than enthusiastic. A few months later, following the February budget, which confirmed the \$753 million, *Saturday Night* magazine, not fully aware of the political and policy work that had been done quietly by the federal government, referred to the December 17 announcement as “governing by bolts of lightning,” detached from any discernible political process.”

The three-year initiative included enhancements to existing CMHC programs:

- \$268 million for the Residential Rehabilitation Assistance Program (RRAP), helping low-income persons bring their homes up to health and safety standards; \$40 million of this funding was for the *new* Conversion RRAP to support the conversion of non-residential buildings into accommodation for low-income people;
- \$43 million for grants to repair and improve existing shelters for women and children who were victims of family violence; the program would also be expanded to include shelters and second-stage

- A “feedback loop” between citizens (in communities) and the government can be vitally important.
- Political leadership has the power to knock down seemingly impossible barriers.
- Effective policy-making can involve an appeal to the heart as well as to the head.
- It is absolutely necessary to have excellent policy capacity to get the job done.
- Effective, consistent communication of policy messages is needed to make the policy a success.

under the Urban Aboriginal Strategy (led by the Privy Council Office).

New programs announced included:

- a new initiative of \$10 million by Public Works and Government Services Canada (PWGSC) to make surplus federal properties available at a lower-than-market price to proponents in communities developing projects to assist the homeless

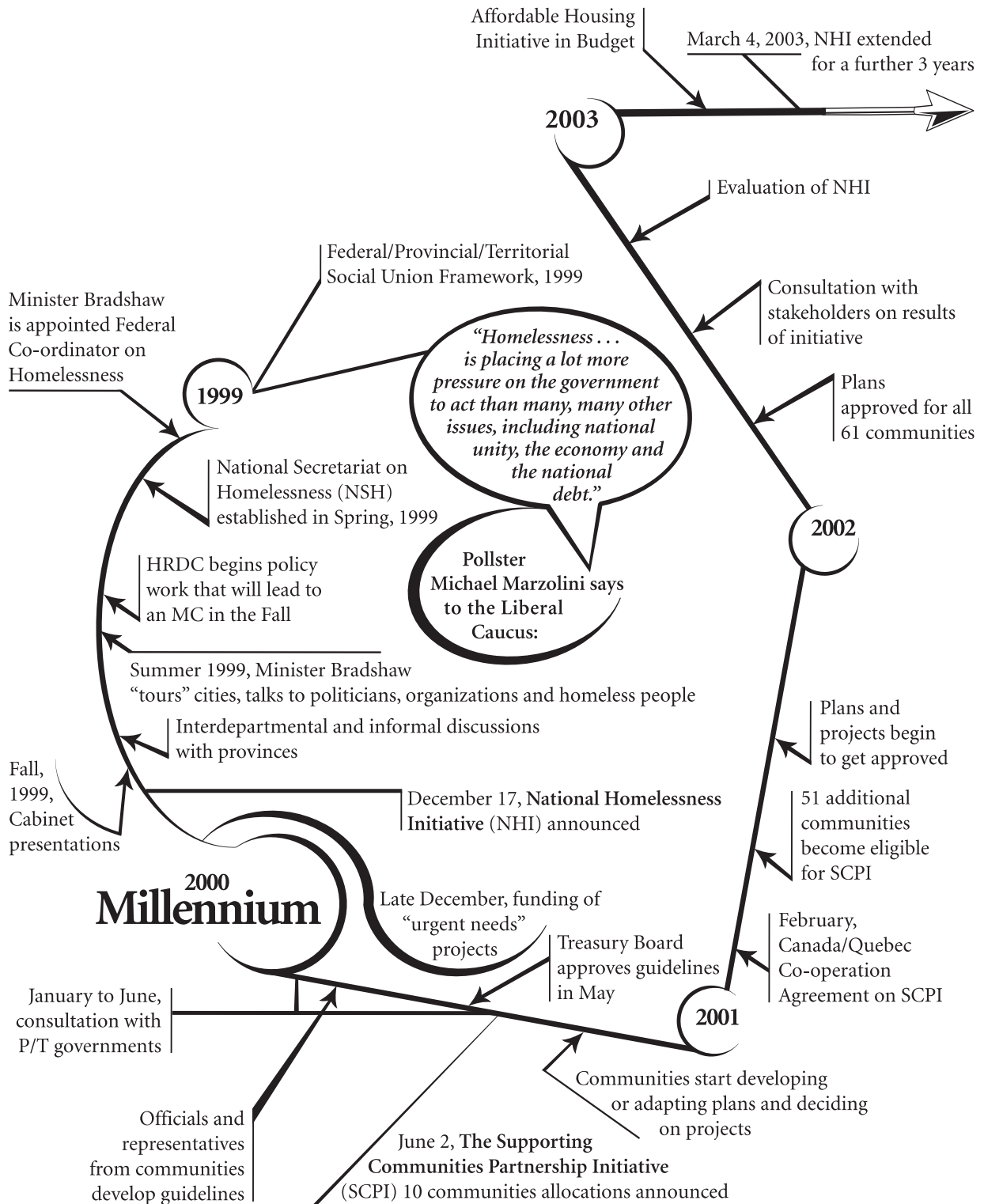
housing for youth who were victims of family violence, and could include some creation of new shelter space.

Other enhancements to existing programs included:

- \$59 million to enhance HRDC’s Youth Employment Strategy, which had components that could be geared to help youth at risk, including homeless youth, gain work experience and life skills
- \$59 million to assist urban Aboriginal homeless people through a range of existing federal programs

- the cornerstone of the National Homelessness Initiative, the new \$305-million Supporting Communities Partnership Initiative (SCPI); flexible funding to communities to plan and implement comprehensive local strategies to prevent and reduce homelessness
- \$9 million for communities to develop comprehensive homelessness plans and for research on the homelessness issue.

# THE NATIONAL HOMELESSNESS INITIATIVE (NHI)







# CHAPTER 2: GETTING THE GOVERNMENT DUCKS IN ORDER

Prior to 1999, the government of Canada had no programs dealing *directly* with the problem of homelessness. Now, major pressures meant there had to be some government response to the city emergencies. What role should the GoC play, given that no one department, let alone government, could adequately address the issue? And how could there be partnerships among federal departments and agencies and with provincial and territorial governments? Moreover, should funding be provided to communities? If so, how should these communities be chosen and how could the funding be divided up fairly?

## **Federal-Provincial-Territorial- Municipal Relationships**

Among governments, the municipal level arrived first on the scene. In the 1990s, the Big City Mayors' Caucus of the FCM lobbied federal and provincial governments to take action on affordable housing and homelessness. Following a meeting in Montreal in April 1991, the *Globe and Mail* reported that "the mayors of Canada's major cities have proposed a sweeping plan to tackle the crisis of homelessness, warning that the alternative is urban wastelands rife with poverty, racial strife and crime." The mayors wanted the federal government to restore and increase spending on housing programs that had been cut in the previous budget.

In November 1998, the Big City Mayors met in Winnipeg. With their major focus still on housing, they declared homelessness a "man-made national crisis" and demanded that the federal government "give municipalities money to deal with the problem the same way it responds to national disasters."

By late 1998, some of the larger municipal governments were working with community organizations to develop plans and scrape together available resources to combat the problem. This happened especially in Ontario and Alberta: in Toronto, Ottawa, Hamilton, Edmonton and Calgary (where the Calgary Homelessness Foundation has been formed and was regarded as a possible model for other cities). Also, the multi-party Vancouver Agreement, coordinating a range of resources to help vulnerable people (especially substance users) in the Downtown Eastside, represented an approach with potential use in helping the homeless. Not only Mel Lastman and other mayors, but also Members of Parliament, began pressing the GoC to act, and to connect directly with the cities rather than going through the provinces as intermediaries.

As federal policy oriented toward action and a new program, relations with provincial and territorial governments had, of necessity, to become the prime focus. There had been no major new social initiatives since the time of the signing of the Social Union Framework

Agreement in February 1999. As well, provinces were quick to point out that municipalities were created by provincial legislation and were not at liberty to jump into bilateral deals with the GoC without the province's approbation.

The provinces would also carefully scrutinize any new community-based initiative because they were still stinging from the budget cuts of the early 1990s and of 1996 through the Canada Health and Social Transfer (CHST). Provincial first choice was restoration of CHST cuts, thereby giving them more capacity to cope with the problem. Provincial second choice was a multilateral federal-provincial-territorial (f/p/t) process to explore fundamental social policy and funding priorities. At least one province (Ontario) had developed its own program, though with limited resources, and could envisage the GoC topping up its own expenditures.

Provinces were worried that the GoC might seed city projects that would flourish only if the provincial budget took over funding responsibility after the GoC had departed the scene. Moreover, in 1999 there had been little prior buildup toward an f/p/t consensus on homelessness. The f/p/t housing ministers had not met for four years and, in fact, it was not always easy to determine which provincial minister was responsible for the issue: the Housing Minister? the Social Services Minister?

Thus, special care had to be taken in f/p/t relations. In late spring of 1999, well before there was any certitude of federal action, the GoC decided that the 1999 f/p/t strategy should be in two parts: relations occurring prior to the fall Speech from the Throne (SFT), where it was conceivable that homelessness could be mentioned; and further interaction between the SFT and a possible federal budget early in 2000. (In fact, the December 17 announcement was a coup in having preceded the budget.)

Touring in summer 1999, Minister Bradshaw met, whenever possible, with one or more ministers of each

province and territory. In a few cases, it took longer for meetings to be arranged (for example, an important meeting with Ontario's Minister Baird had to wait until October 1999). Minister Bradshaw explained that she was gathering information, that she was there to listen to community people and to politicians, and that provinces and territories would be consulted before the government took any action. Moreover, the provinces and territories would be invited to join the community partnership. The GoC would not "take ownership."

Minister Bradshaw was the type of person who powerfully motivated others on humanitarian issues. The provincial ministers of housing and other line departments were inspired much more than were their intergovernmental affairs ministerial colleagues, and their minds were open to allowing officials discuss more specific possibilities.

Therefore, prior to the fall Speech from the Throne as well as after it, the Director General of Social Policy maintained informal discussions with provincial officials. Provinces knew that a new federal initiative was being considered along with enhancements to existing programs. They were reassured that there would be, at minimum, a period of consultation with them prior to action. The Deputy Minister of HRDC held a conference call with provincial social service deputy ministers and conveyed a similar message. Provinces were notified prior to the December 17, 1999, announcement. Despite the displeasure of their intergovernmental affairs ministers, provincial reaction to the NHI was wary and muted. This may have reflected a fact that speaking out against the initiative would be tantamount to criticizing the mayors or the homeless themselves.

The post-announcement GoC strategy was to adhere to a minimum three-month notice for negotiation with provinces, to be undertaken *bilaterally*. Some cities, sensing a favourable outcome of the f/p/t negotiations, began to fine-tune their existing plans or start

new ones. Other cities, such as Vancouver, Montreal and Quebec City, waited.

The GoC wanted to act quickly, consistent with the view that emergency situations existed in major Canadian cities. The GoC believed there was not sufficient time for a multilateral f/p/t process and that the SCPI, as well as related spending under the NHI, did not, in any case, represent a “national program.” Instead, federal officials explained, the NHI was a time-limited, targeted, demonstration initiative.

The strategy for the first three to five months of 2000 was to conduct two rounds of consultation with provinces and territories. In the first round, provinces with one or more of their cities targeted under SCPI were asked to review the objectives of SCPI and confirm the community selection. These provinces were also asked to provide a yes or no answer to this question: “Do you agree with the GoC investing directly in your communities through SCPI?”

In provinces and territories that did *not* have SCPI communities, the negotiation team promoted enhancements to existing programs, particularly those directed at Aboriginal people and youth. However, the same question arose in every one of these meetings: Why were these provinces and territories not getting SCPI funding? The first round of consultations ended in March 2002.

The second round, in April and May, involved more technical discussion of the SCPI funding formula, the approval processes for plans and projects, and research investments. Provinces were also invited to collaborate multilaterally on the issue of accountability.

- Provinces and territories need to be informed at every step of the way in policy development.
- Multi-channel, multi-level consultations with provinces and territories may work where narrower approaches would bog down.
- Progress can be made through willingness to accommodate provincial and territorial views without sacrificing the capacity to act.
- It is necessary to understand and respond to the diversity of the Canadian federation: for example, the traditional and evolving roles of Quebec.
- Quick consultations can succeed, but they may occur at the cost of not achieving the full potential of intergovernmental partnerships.

During this time, premiers as well as the p/t Ministerial Council on Social Reform protested that the federal approach to negotiation was not within the terms or spirit of the Social Union Framework Agreement and that “absolute homelessness” was too narrow a definition upon which to base an initiative. However, these objections neither created a public stir and nor halted the bilateral negotiations of the GoC with provincial line ministries.

On June 2, 2000, Minister Bradshaw announced that the consultations had been successful, and that she was ready to address the issues that had been raised. She agreed to have additional communities under SCPI, and a 20-percent portion of the funds was now targeted for that purpose. Concerns over project sustainability were being addressed, and there was now a reasonable consensus on the SCPI funding formula. Nearly all the provinces had said yes to SCPI; Quebec agreed with the principles underlying the SCPI but was not yet ready to proceed until a formal f/p agreement was negotiated (this would take until 2001). Now, across most of Canada, community planning and project approval under SCPI could proceed.

## Intragovernmental Collaboration

Since the inception of NHI, there have been a number of homelessness projects co-funded by more than one GoC agency. For example, HRDC, PWGSC, National Defence and CMHC cooperated in moving surplus houses from a military base to lots in Edmonton for homeless people to use. Despite this and other examples, NHI has been unable to meet its expectations on intragovernmental collaboration.

In the crucible of the community, it should not have been that difficult for GoC officials to adjust their programs and activities to help communities achieve their priorities. Yet, as evaluations have shown and one community representative phrased it: “Horizontalism was not evident at the community level.... The silos are still there.... We talk to them [the siloed federal agencies] more than they talk to each other.”

How did this happen, given the push from the centre to make homelessness a GoC priority, Minister Bradshaw’s designation as *Federal Coordinator*, and the interdepartmental enthusiasm of late summer 1999?

One possible reason is that many agencies had potential roles but only three obtained incremental funding—the so-called “funding partners”—HRDC, CMHC and PWGSC. In Ottawa, despite information sharing at interdepartmental meetings, the “call to the heart” of 1999 had quieted during the long period of negotiation and program development. There was no reference to homelessness in the mandates of Cabinet ministers other than that of Minister Bradshaw, and, even at national headquarters, Social Policy saw its policy work as more or less complete once the MC had been written. It was over to the National Secretariat on Homelessness (NSH) to carry the torch.

In fact, even among the funding partners there were wrinkles that needed smoothing. Much of the CMHC funding was transferred to provinces, and, in any case, it could not be given directly to communities in the same way as SCPI funding. NSH and the HRDC regions dedicated themselves to working directly with the

community through SCPI, attempting to draw in the provinces as co-supporters for the community priorities. But there were problems in linking CMHC investments to the community plan. For some people in NSH and in the provinces, this proved to be frustrating.

Relations between NSH and PWSCG were positive, but it took many months before the authorities, protocols and communications were in place to make the surplus federal property an instrument in the community toolbox.

Other possibilities for collaboration were the federal regional councils (information-sharing committees composed of regional heads of federal agencies). This structure worked quite effectively in the early consultation and planning stage in Winnipeg, where there had been a history of multi-agency participation through the Winnipeg Development Agreement. As well, 13 federal agencies participated with many other partners in the Vancouver Agreement (focusing on the Downtown Eastside), so there was an interdepartmental core to adapt for the related topic of homelessness.

The federal regional councils had the unique responsibility, under the direction of PCO Aboriginal Affairs, to consult with Aboriginal organizations and provincial governments to set guidelines on the use of the \$59 million for Aboriginal homelessness under the Urban Aboriginal Strategy. At first, the councils considered the possibility of funds flowing through a range of departments, such as HRDC, Canadian Heritage, Indian and Northern Affairs, Justice, the regional development agencies, and perhaps even PCO itself through new authorities. However, after a number of months, the councils agreed to use the Aboriginal Human Resource Development Agreement (AHRDA) authorities, and later, to use SCPI (also HRDC) terms and conditions. Increasingly, the federal regional councils saw the NHI as owned by HRDC, and as an issue that was community-based and one that was difficult to influence from the regional level. And so an opportunity was lost to ensure departmental collaboration through regional orchestration.





*I can't imagine why, but I get the feeling some of our partners doubt our commitment to horizontality.*

If top-down collaboration in Ottawa had slowed down and regional horizontality become impractical, so too there were challenges at the community level. Even where an interdepartmental group had been created to help the community plan and identify resources, roadblocks stymied the initiative of GoC local representatives. Support by the unfunded departments was often blocked “up there,” at the regional or national headquarters level. For example, the interdepartmental committee that had taken the lead in getting things going in Vancouver at the start of the NHI had effectively lapsed by the end of 2001. There are many reasons to account for this failure of horizontality, and they are not unique to the NHI. They include a culture that protects “turf”; a lack of explicit mandates; the absence of an effective means to share accountability; no personal accountability in the performance contracts of senior managers to accomplish shared/horizontal goals; lack

of top-down direction; limited delegation of authority to regional levels; limitations in the skills of regional or local staff in working on horizontal initiatives; and tight or inflexible program authorities that inhibit joint action and partnership.

At some point, community organizations, especially those on the front line who had their hands full just carrying out basic service, had to ask themselves: “If we have to deal with so much red tape and so many people with different rules, agendas and reporting requirements, is it worth it for us to apply for the money?”

## **Managing Finances**

Community groups and municipalities were demanding new and significant GoC funding so they could address homelessness *and* affordable housing issues. The funding ought to be as flexible as possible because the needs, priorities and capacities of each community varied, and because the normal requirements for applying, administering and reporting on government contribution programs were onerous - especially for the small organizations, such as those on the homelessness front line.

- Horizontality is one of the government’s greatest challenges.
- If multi-agency accountability is not secured formally at the highest level, it will be extremely difficult to build enduring partnerships among government agencies at the community level; in some circumstances, a council of ministers or a similar structure should be considered.
- Community players can sometimes link with federal agencies on specific projects, but, beyond a certain point, the community will find it not worth the effort to undertake this kind of facilitation.
- Shared funding for a common policy is not sufficient, in itself, to build strong and effective partnerships within the government.

Provincial and territorial governments preferred an unconditional top-up to the Canada Health and Social Transfer, or, if not this, funding to supplement their program spending that directly or indirectly helped the homeless. When the GoC insisted that its new \$305-million SCPI go the direct-to-community route, the provinces and territories demanded, at minimum, some say in how the funding would be allocated.

At first sight, this allocation did not seem difficult because it could be based on a single measure of need. There were 10 SCPI communities, and most of them had carried out street counts of homeless people. However, these counts were done on different days, their methodologies differed, and they took no account of people living in extremely crowded housing or who were exhausting their welcome with all their acquaintances by begging for a place to stay (the “couch surfers”). Therefore a series of possible need indicators, for individual or combined use in a funding formula, was discussed with provinces during the first five months of 2000. Achieving a compromise was no easy matter. For example, Mayor Lastman wanted 40 percent of the federal funding because his information sources indicated that Toronto had 40 percent of the homeless population in Canada. Alberta officials thought that a key factor should be the vacancy rate in low-rental housing (low-income working individuals and families in Calgary and Edmonton were homeless because of lack of affordable rental units). Manitoba officials pointed to statistics about the depth of poverty in Winnipeg and therefore the many people at risk of winding up on the street due to low or no income. At the end of the consultations, an allocation formula with three factors, each given equal weight, was announced: poverty (low-income) rate, rental vacancy rate, and population.

A second issue was somewhat easier to resolve: what was a “community?” In this case, it was a geographic city, as defined through census districts. However, even this required consultation and decisions. For example, would the factors, especially the population

count, used in the formula include the (a) former city of Toronto? (b) new metropolitan area under its first mayor? or (c) Toronto plus outlying municipalities in the 905 telephone district? The decision was (b), but not without some opposing views. In Vancouver, the “community” included not only the City of Vancouver but also the other municipalities in the greater Vancouver area.

At the time of the December 17 announcement, the GoC had decided to “hold back” 20 percent of the SCPI funding. This reserve could serve as a back-up fund should any of the 10 communities face unexpected challenges, or should clear evidence be provided by one or two communities in addition to the original 10 that they had an acute need to launch a plan and fund projects through SCPI. However, the great weight of provincial/territorial opinion during the consultations was that there were indeed other communities that should participate in SCPI and that every province and territory should get a share. Consequently, the GoC responded by dedicating the 20 percent of SCPI to communities other than the 10 that could demonstrate a significant homelessness problem. The 20-percent portion was allocated on a per capita basis to all provinces and territories (the population of the 10 was not counted in the allocation). Following the announcement of SCPI allocation on June 2, 2000, provincial and HRDC regional officials collaborated on the identification of more (eventually 51 more) communities. They agreed on how the funds would be allocated out of the 20-percent portion (sometimes the same methodology was used as for the original 10).

As with other elements of the NHI, the SCPI was not to be “the only game in town.” It was intended as a seed contribution, upon which the dollar, in-kind and time contributions of other levels of government, the private sector and civil society could build a response to homelessness that would be uniquely owned by the community. Thus, to be eligible for SCPI, the community was obliged to identify a matching amount from sources other than the GoC. At first, this proposal was understood as a demand for *new* matching invest-

ment, and this posed a significant affordability barrier for some provinces, the three territories and some communities, especially the smaller ones that wanted to join the 10. When the negotiators clarified that spending back to March 1, 1999, could be counted, along with (primarily provincial) expenditures in the community that were part of ongoing programming to help the homeless, the pressure eased.

While the SCPI allocations (along with dollars for developing community plans) were the cornerstone of the NHI, the December 17 announcement in fact included more money for enhancement of existing programs than it did for SCPI: the Residential Rehabilitation Assistance Program (RRAP) through CMHC (\$268 million), Shelter Enhancement through CMHC (\$43 million), Youth Employment Programs through HRDC (\$59 million), and enhancement of the Urban Aboriginal Strategy led by PCO Aboriginal Affairs (\$59 million). CMHC and Youth Programs already had a methodology for regional allocation of these enhancements. PCO Aboriginal Affairs consulted with federal regional councils on the development of an allocation formula that had some similarities to the SCPI formula, except that it was based on demographic, income and housing factors relating to off-reserve Aboriginal people.

For non-SCPI communities, the enhancements could help address targeted homelessness problems and offer greater fairness as well as a flavour of pan-Canadianism. For the 10 SCPI communities and the others joining SCPI later, the enhancements were seen as an adjunct to achieving the objectives set out in a single community plan. However, making these connections was more difficult than NSH and some communities had imagined. CMHC and HRDC had different mandates, and, particularly at the program development and community planning stage, collaboration was less than effective. The stakeholder groups for youth programs and for homelessness did not merge at the community homelessness tables. The terms and conditions of the youth programs required that outcomes be related to the labour market; howev-

er, shelters to temporarily accommodate homeless youth, addiction services and other interventions that many homeless youth required were not eligible. The enhancement to Aboriginal funding recognized the unique barriers that homeless Aboriginal people face, especially in Western Canada. However, the \$59 million in Aboriginal funding was intended to supplement SCPI and other new funding, not create a parallel Aboriginal stream. While some communities were able to bridge these funding instruments, in others the two streams were separate, sometimes to the detriment of the amount of funding available for Aboriginal homelessness projects. As well, the funding authorities identified under the Aboriginal Human Resource Development Agency's required labour market outcomes. This restriction, as in the case of youth programming, became a barrier to achieving many of the priorities identified by Aboriginal groups. Having recognized the problem, in 2001 NSH received Treasury Board of Canada approval for using the more flexible SCPI authorities to channel funds for youth and Aboriginal projects.

As for the \$10 million on surplus federal properties, it took a long time to establish authorities and reach an agreement on how best to do this. Despite community curiosity about this innovative feature, there was no clear path for linking this to the community plans as they were being prepared.

Because the GoC was responding in part to an emergency, the December 17 announcement included RRAP funding plus \$15 million in "urgent need" program funding that would be immediately available from that day on and through the winter. An advantage of using existing programs was that they could go into action immediately, while SCPI was being designed. Some of these programs could be adapted to restock the shelves of a food bank, repair the heating system in a shelter, or provide other such quick responses. However, it was highly challenging to manage "urgent need" funding, since one person's definition of "urgent" tended to differ from another's.



Also, the policy analysts in the National Secretariat on Homelessness were getting concerned that that a quick, unplanned response to urgent needs could create a pattern or bias regarding the priorities to be identified in the upcoming homelessness planning under SCPI.

One of the greatest financial challenges facing the new initiative arose unexpectedly, just months after the December 17 announcement. The HRDC “grants

and contributions” issue had a major effect on the nature and speed of financial approval. Because SCPI was not yet exercising its funding authorities, it did not have to undergo a review as did other contribution programs, and it had the benefit of building in greater protections up front. On the other hand, spending under the initiative depended on the work of financial officers in the regions, who were now preoccupied with the departmental review of grants and contributions, and who were becoming increasingly averse to taking risks or taking unique initiatives to simplify administration because a new and, from their perspective, complicated initiative was coming on stream.

- If you can't consult on the amount to be spent, you can still do a good job consulting on how funds will be spent.
- With a complex issue, the best way to establish a reasonable consensus on allocation of funds is to be clear on the options and to keep them simple.
- Simplicity, good communication and avoidance of red tape are important in financial management of any government undertaking, and especially so in community-based initiatives.
- Good management of finances includes being ready for the unpredictable something that goes horribly wrong.

# CHAPTER 3:

## COMMUNITIES DOING THEIR THING

Very soon after the appointment of the Minister of Labour as Federal Coordinator on Homelessness in spring 1999, political and policy levels of the GoC began to focus on possible approaches that would enable communities to mobilize their capacities and take leadership. There are many opportunities and challenges in developing a community-based approach to policy, including collaboration, inclusion and governance, which are particularly important for policy learning.

### Collaboration

In a media release of June 2, 2000, Minister Bradshaw said, “As I travelled across the country last year, communities told me they wanted the Government of Canada to be a partner in what they are doing. We heard that message.” In other words, the NHI, having travelled through Cabinet, Treasury Board and p/t negotiations, was ready to get in gear – not as a top-down “program” but through a partnership arrangement, planned and managed by the groups, individuals, local government - all the relevant players on homelessness in the community. This was going further than had other GoC programs that were connected with the community through research or advisory boards but that had left the federal government the role of imposing models and making financial decisions.

Collaboration among communities had already been assisted by Minister Bradshaw and NSH through the Minister’s tour and through conferences that brought together community representatives and engaged them in helping develop program guidelines, a research agenda, and other building blocks. However, it was the collaboration *within* communities that held the key to progress on the initiative. As one community representative said, “The real success was when you had 30 people around the table all giving up their time to be there twice a week over an intense period, very much getting into the mood of thinking what they can do collectively.”

There were several challenges: How to balance coherency with the flexibility that communities desired in responding to homelessness? How to respond to municipalities that said they already knew their priorities and wanted to spend immediately? How to assist communities that lacked capacity to develop an approach? How to engage a full range of partners, including officials from other federal departments and provincial governments?

The GoC used two approaches to respond to these challenges. One was to create a new role for a federal employee in each of the 10 major communities, and eventually for the remaining 51 communities: the “community facilitator.” The community facilitator

acted as a catalyst, arranging and attending meetings, providing advice, explaining the way the GoC could financially assist, advocating for ways to reduce barriers, and seeking support from the REH and from NSH. The role was one of supporting the community governance structure (discussed later in this report), rather than taking ownership. It could also involve taking leadership on issues, such as developing a strategy to raise additional funding.



*You've got to hand it to Stanley. He's always thinking outside the box.*

This rolling up of the sleeves and playing a dual role – community member and government representative – was much “messier” than what was in official job descriptions. It was very different from “running” the normal contribution program. And, depending on the capacity and preferences of the community, it varied considerably. The facilitator needed to recognize and work with informal leadership within the community. The role required support and direction from the REH as well as NSH but, fundamentally, the facilitator learned on the job. As one community representative

said, the GoC “came to the table to learn about how we (local service providers and agencies) do business.”

In some provinces, such as Alberta, the provincial and municipal governments appointed their own facilitators. The three levels of government were visible, empowered and ready to come to the table with the other partners in the community.

The other instrument driving toward coherency while maintaining flexibility and community ownership was the homelessness *plan*. The funding NSH provided for this was frequently used to cover the costs of community meetings and the services of a consultant, who drafted the plan under the supervision of a community steering committee. In the earliest days, some of the communities questioned the GoC’s approach to planning:

- *How could the community “own” the plan when the federal minister had to sign off?* The answer was that the minister was reviewing only some “basic elements” (nine of them) that were generally reasonable for each plan to have, such as a confirmation of the geographic area, assurance that the planning process in the community was open and collaborative, and that objectives were set out in the plan. Lots of room was left for the community to develop its own objectives, strategies and approaches.
- *How could the plan be long term if SCPI was only a three-year demo?* The answer was that there were other resources to be tapped, and that sustainable approaches would be a key consideration for the kinds of front-end investments to be made through SCPI.
- *Is it back to the drawing board for cities that already had plans?* No, they could use their existing plans and develop a short addendum on the SCPI elements for approval by the minister.

The first interactions on plans were not always smooth. Sometimes, the representatives of communities or provinces, especially when the SCPI funds came

from the 20-percent portion, questioned the need for a plan when it seemed more practical to simply invest the money in one or two projects that they already had in mind. Nevertheless, as evaluations later showed, the planning process had inherent merit. It brought together stakeholders who had never worked with one another and who generated ideas on how to coordinate services or collaborate on projects. The requirement that each community examine assets and gaps along a continuum of supports for homeless people turned out to be a useful tool and made the selection of priorities more rational and supportive in the eyes of the public, particularly of many homeless people.

## Inclusion

The principle of involving all relevant stakeholders has been synonymous with community development. Its potential was a driving force in the GoC's choice of approach to homelessness. The community homelessness plan was a blueprint for coordinated community decision-making and action to help homeless people over a continuum of their needs. One community, one plan.

Having said this, there were questions. All stakeholders included in *what* exactly: all aspects of consultation, planning, governance? Invited, or actively encouraged, or obliged to participate? What happens if one important actor wants direct help from the GoC and will not participate in the broader community processes? Moreover, the capacities of various organizations, as well as their priorities and their history of working together, influenced their desire and ability to take part.

- On collaboration, the government sometimes needs to play the role of participant rather than leader, and learner rather than teacher.
- One of the greatest challenges in collaboration, and in policy making in general, is achieving a balance between flexibility (allowing for differences everywhere) and coherency (ensuring there is a common foundation everywhere).
- Government employees need to acquire new skills to play effective roles in collaboration: this includes “thinking outside the box.”
- Good planning is not only a path to good policy outcomes; it can have side benefits such as building capacity and partnerships.

Provincial governments were generally represented at community tables, sometimes bringing with them resources (as in Alberta) and other times the capacity to connect and fine-tune their existing programs. Municipal governments often played a leadership role in consulting, planning and administration—quite frequently they were the only organization in the community with the capacity and experience to lead.

Inclusion of the private sector was part of the early vision, and there were instances of private contribution. For example, the homebuilders' associations in Ottawa and Fredericton provided funding, expertise, materials and labour to build and renovate shelter facilities. In other instances, employers encouraged their employees to volunteer in local homelessness facilities. However, these were isolated examples, and there remains a long way to go before the private sector can be said to be fully engaged.

Minister Bradshaw envisaged sustained participation of front-line organizations in the NHI. However, frequently these organizations saw the effort involved in taking part in numerous planning, advisory and decision-making committees as beyond their capacity, and perhaps even inconsistent with their priorities

- Inclusion and community-based policy approaches go hand in hand.
- Inclusion in policy development and program management requires not only communication and invitation, but its success may depend on a good strategy, encouragement and accommodation.
- The role of Aboriginal people and their organizations is a crucial policy consideration for virtually every initiative.
- Inclusion of clients (“first voices”) in policy development is infrequent and challenging, but it can have major benefits.

Generally, the communities as a whole made efforts to respect Aboriginal priorities and decision-making, while ensuring that the overall approach avoided duplication. In some places, such as Red Deer, Alberta, a community-wide approach incorporating Aboriginal objectives and principles and inclusion in decision-making was feasible. In Edmonton in 2000, an Aboriginal conference pre-

ceded a two-day community-planning meeting. Still, discontent remained, and Aboriginal organizations sometimes did not have the capacity to submit funding proposals.

Means for Aboriginal inclusion remains a significant issue. However, Graham and Peters said in a report for the Canadian Policy Research Network in December 2002: “Our review of past research on urban Aboriginal conditions and action referred to the apparent lack of policy coherence, policy and program coordination and organization... The federal government will achieve the highest level of responsiveness and create the greatest opportunity for policy and program learning at the local level and more broadly, if this [the localized SCPI] approach is used.”

to serve their clients. Such a case was that of the groups working with homeless people of African origin in Halifax. Although routinely invited, they did not choose to participate during the first three years of the NHI.

Organizations representing youth tended not to take part in community planning and governance, despite the fact that many community plans identified youth shelters as top or high priorities. Perhaps one of the reasons for this was that incremental funding targeted for homeless youth (\$59 million) was intended to flow through the existing youth employment programs, and a network of community representatives was already connected to these programs.

Finally, homeless people themselves were invited to get involved. An October 2001 NSH research report indicated that agencies most often involved homeless clients through providing them paid and voluntary work. A key motivation for participants was the opportunity to feel good about themselves. The report suggested that, beyond helping clients in shelters and other facilities, homeless people have significant potential to be involved in two areas of governance: sitting on boards and committees, and being involved in policy consultations and plans. That Canadian Policy Research Network report concluded, “When

The most difficult challenge was inclusion of urban Aboriginal people. In Western Canada, many of the homeless or near-homeless people were Aboriginal. Due to the barriers this population faced, an enhancement of \$59 million to existing programs was provided under the Urban Aboriginal Strategy, overseen by PCO Aboriginal Affairs in consultation with federal regional councils and Aboriginal groups. However, Aboriginal people were supposed also to share in SCPI funds, as determined through priorities set by the community plan. This cohesive governance was resisted strongly in some communities, and a unique federal-to-Aboriginal approach was sought.



agencies serving homeless people simply provide them with a service, the tendency is to maintain the status quo... By contrast,... involving clients in governance or work can lead to real change in clients' lives."

## Governance

"Governance" means "the act of governing or exercising authority," but it had a more specific meaning for the NHI. It concerned how the community would exercise authority to plan, make decisions, administer and be accountable. The essence of this was expressed by one community representative: "The fundamental principle of making the resources available to the community, in the community, and through the community makes tons of sense... a model of how the government should work into the future."

The principle may have been clear, but the practice was more difficult. Varying circumstances of homeless people and differing local priorities required flexible approaches. Therefore, would one community governance model suffice, or should there be 61 varieties? (And if there were, what would this mean for accountability)? Did all communities have the capacity for governance? How was conflict of interest to be avoided?

Community governance of *planning* was generally effective and collaborative. The kick start to the first planning meeting may sometimes have come from the GoC facilitator-for example the federal regional council in Winnipeg or local GoC facilitators elsewhere-but community committees, forums or steering groups were soon established to oversee planning processes or to review plans that were made publicly available. Some communities supported the idea of municipal governments taking the lead, as long as the community stakeholders had the opportunity to see the plans before finalization.

More difficulties were encountered regarding communities' capacity and desire to exercise authority

over *project decisions* and *administration and accountability*. When the GoC conceived the SCPI, it was generally believed that communities could and would govern all three functions of planning, decision-making and administration. The GoC could then flow SCPI funding to communities through a single contribution agreement. The idea of local homelessness coalitions being formed – or foundations such as the Calgary Homelessness Foundation, which already existed – held promise as taking on this responsibility on behalf of the community. The idea was not necessarily to build new, accountable structures from scratch, but to mobilize and connect existing community resources (SCPI did permit a certain amount of administration funding that could help with this, although project funding was the main thrust).

However, now there were 51 additional communities, smaller and without the capacities of the original 10. Even some of those 10 were having cold feet. How could a foundation or one organization administering on behalf of others deal with the conflict of interest issue? After all, would not they wish to secure some of the SCPI funding for themselves? Moreover, most of the organizations would have to build the administrative capacity from the ground up, detracting from their client service foundation. And would the directors of an umbrella organization agree to be held financially accountable and possibly take on personal liability?

Most often, and especially at the start of the NHI, the municipal governments were the organizations willing and able to take on the administrative role. Municipal governments had financial management capacity and structures for approval and consultation. In some cases, the local government had experience in working collaboratively on homelessness prior to the announcement of the NHI. Thus, "entity" models were established during the first three years of the NHI with 14 municipalities, but this, in some cases, did not

- Governance and inclusion are closely related, but the former always involves the exercise of choice, representation and authority.
- “Governance of what?” is a relevant policy question. For a community-based initiative, the “what” includes planning, decision-making and financial/administrative accountability.
- For a new initiative, stakeholders’ capacity to govern is a critical consideration. This capacity may be difficult to ascertain until consultation and planning are well underway.
- Differing situations and priorities may make for wide variation in governance models.

occur without some initial misgiving both by the municipalities, which had to juggle federal and provincial expectations, and by others (such as the local members of Parliament). Most particularly, there was concern that decisions the municipality made on projects or services might be biased toward pet groups or not reflect a consensus of views of local homelessness stakeholders. In some cases, new advisory committees were established to screen project proposals in order to reduce the potential for bias. As well, as the NHI proceeded, there were 12 NGO entities, although five of these focused only on the Urban Aboriginal Strategy funding and not SCPI.

Many of the 51 and some of the 10 communities were not willing to put up their hands for the “entity” role. In this case, the GoC had no choice but to make final decisions on SCPI projects (the Minister approved each of them) and to administer them the

way it did other contributions. Nevertheless, the community adopted the practice of making recommendations through what has been called a “shared model.” These communities tended to have representative committees that screened project proposals. Generally, the committee called for “expressions of interest” in projects that fell under the community plan priorities, and then followed

this up with more formal Requests for Proposals. The selected projects or services were then sent to HRDC for formal approval, which would be given unless there were some inconsistency with SCPI terms and conditions. So, in effect, these communities *decided* but did not *administer*.

“Entity” and “shared” reflect different financial administration models, but they do not fully capture the wide variance in how things worked and how the community made decisions. In this broader sense, governance varied between large communities and small, between those that are trying to enhance supports widely, as contrasted with those that chose to focus on one or two key priorities (such as homelessness and mental health), and through many other differences. This wide variance was consistent with the goal of the NHI.

# CHAPTER 4:

## MAKING A DIFFERENCE AND LETTING IT BE KNOWN

Once the founding policies and program guidelines had been developed, and once communities had developed their plans and were setting their priorities, a series of new policy challenges arose. This was a three-year, demonstration initiative-what would happen at the end of three years? How could governments communicate with each other, and communities with each other? How could there be effective communication with special interest groups as well as the general public? And how could outcomes be assessed and accountability needs at all levels be met?

### Sustainability

“Sustainability” gained different shades of meaning as the NHI policy evolved. In early 2000, sustainability was one of the biggest concerns of provinces and territories. The GoC was providing no clues as to whether the NHI - and SCPI funding in particular - would continue beyond three years. In fact, it was called a “demonstration project,” so after the demonstration, then what - a renewal, something entirely different, or an announcement of “job done” and over to the communities to carry on? If the latter happened, and the needs continued, who would be pressured to pay the bill? The provinces said this had all happened before - covering the cost for social assistance for off-reserve First Nations people, for example.

In reality, there was no foolproof guarantee to prevent this shift in financial burden. If a community expanded its capacity to provide emergency or transitional shelter through an SCPI-funded capital project, the operating costs would continue as long as the facility continued to be used. If a new service came into being through SCPI seed money, it would likely be necessary to continue the service beyond three years, given that responding to homelessness was a long-term proposition. Project proponents might have been confident they could cover costs three years down the road. But three years later, this could turn out to have been wishful thinking.

NSH did its utmost to satisfy provinces and territories that sustainability considerations were a core feature of the community plan and of each and every project. Plans had to set out a plausible method of how the entity or the committee in a “shared model” community would ensure there were clear communications on sustainability, and how they would screen projects with this goal in mind. Second, every project proposal had to include a sustainability plan, showing how funding could be provided for ongoing costs. While these provisions came as close as possible to providing satisfaction, the extension of the NHI for a further three years provided a more tangible and acceptable response.



In the broadest terms, if the words of the SFT were to provide guidance – “address the root causes of homelessness and help communities respond to their members’ needs for shelter and other support” – there was a more fundamental meaning to “sustainability.” This might best be compared to a culture change achieved through new community awareness and commitment to action. This is similar to community response to environmental issues: the civic commitment to recycling, for example, where city residents sort their refuse and haul their black or blue bins out to the curb every week. For homelessness, this meant knowing more about homeless people, their path to this situation, and the best means of helping them. It meant taking ownership. And it meant a continuing, deepening partnership of organizations and people in the community that would continue to raise and mobilize resources to battle homelessness for as long as it takes. As one community representative put it, it was not fundamentally programs that needed to be sustainable. The main goal was “making sure that people have the sustainability... partnerships with people who otherwise wouldn’t have partnered.”

The GoC felt it was helping bring about this broader sustainability by putting tools in the hands of com-

munities. To some extent, this occurred through the community facilitator acting as catalyst for local partnerships. It also happened through inclusion, collaboration on projects, and enhancement of community governance. However, while progress was being made, two highly difficult challenges arose.

The first challenge was the *capacity barrier*. It was true that sufficient capacity was mobilized to get 61 community homelessness plans approved, and projects underway in each community. SCPI projects, as well as the work of the facilitator and the rest of the HRDC organization, were indeed helping communities with their capacity. But, over time, what would replace these resources if they were no longer there yet still needed? Graham, Kerr and Philips, in a case study of Hamilton, suggested, “SCPI does not appear to have provided the community with the tools to leverage additional *financial* resources from within the community itself... However, SCPI has provided a basis for leveraging non-financial contributions, particularly from within the business community. It has also sustained and arguably built policy capacity within the community and within the municipality.”

The second challenge was *time*. The movement of a homeless person along a continuum of supports to greater independence in the community or workplace takes a long time. The solidification of partnerships, the process of culture change, and achievement of success in fundraising also do not happen quickly. As one community representative said, “Say it was an initiative over 10 years... That would have been more helpful.” The recognition by communities that sustainable progress required more than the three years of the NHI posed a risk

- “Sustainability” needs to be clearly defined when used in policy.
- When the GoC introduces a major policy or redesigns a program, provincial and territorial governments are likely to have legitimate concerns over sustainability. These concerns must be addressed immediately, in some cases through an “exit” strategy.
- One of the meanings of “sustainability” is the establishment of a culture that will continue to mobilize available resources, no matter how small, to address a problem for as long as it lasts.
- Sustainability cannot be rushed; it often takes a great deal of time to be achieved.

for them. Should they even have considered putting their efforts into this if, three years down the road, the community might be back to the drawing board? Their answer to this question was yes, it was worth it. The extension of the initiative for a further three years gave them more time to work toward sustainability.

## Communication and Enhancing Awareness

The road to the NHI necessitated good *communications* within the government, with other levels of government, with community organizations and with citizens. Minister Bradshaw toured to *listen* to community voices, and she returned to communicate, first with her Cabinet colleagues, second with provincial ministers and, third, with communities and the Canadian public: messages about what she had heard and how the GoC was intending to respond. So the political level itself was the most important means of getting messages across, and the Minister was assisted by regional ministers and by members of Parliament in so doing. This political communication carried the initiative forward, particularly at the beginning, when there was a high level of public concern about homelessness. Communities were relieved that the GoC would ante up political and financial support.

Policy communications however, were not always so effective as political ones. The SFT committed the GoC to work with partners to “eradicate the roots of homelessness” (which sounded like an emphasis on prevention), yet the priority for spending under SCPI and other programs seemed to be short-term remedial (that is, building shelters). How to distinguish between the homeless and the “houseless,” and how to explain why SCPI could be used for emergency, transitional and supportive housing but not for helping low-income people get into more affordable housing? How to explain, after a couple of years of the initiative, why homeless people were still to be seen on the streets?



*Mind you, putting all this into a 30-second TV spot might be a bit of a challenge.*

There were answers to these questions but they were difficult to communicate, as is the case with other complex initiatives. Beyond a certain point, the answers were not well received because they seem overly technical or defensive.

As one commentator said, “I don’t think enough time was spent building common understanding.” The point was that the GoC was dealing with something that was profoundly local but the communication strategy was a centralist, federal model. “We really should have had a research base and public opinion data to assist us in the communication strategy... and we should have been building on that base with systematic public opinion research throughout the initiative.”

As operations started, problems with communicating messages continued. What exactly were the requirements for a community plan? Were capital projects fundable? Could new community services be eligible for SCPI funding? Communities queried, GoC facilitators and regions pressed for answers, NSH responded. Some of the operational guidelines grew in the doing. However, just as the Minister could strike a

- Consistent, clear communications are essential for success in policy development and implementation.
- Written communication on complex policy issues is challenging because it requires an amazing number of complexities to be boiled down to a few simple messages; this is especially difficult when the content lacks local “colour.”
- However communication is much more than the use of media such as press releases. -People, especially at the political and grass roots levels, communicate persuasively when they are committed, honest and equipped with good information.
- People become aware of an issue through communications, but their awareness is much greater if they become engaged in the process.

longitudinal data on shelter users, their entry, and their returns to homelessness.

Much of the awareness of homelessness came through involvement of community groups and individuals in developing community homelessness plans, and the information provided by groups and municipalities to the general public. If the battle against homelessness was taking place in the community, then there, too, the real potential to raise awareness resided.

chord, so too, as they grew into their roles, could the community facilitators and other front-line government staff. Through the human chain at the community level, messages got across and the work began to get done. A basis for common understanding was achieved. An HRDC community facilitator commented: “As civil servants, people felt personally involved in this [the NHI]... You believed in what you were doing. So it was a kind of a policy that you felt would make a difference.”

One of the NHI’s objectives was to be a catalyst for increasing awareness and understanding of homelessness in Canada. In 1999, there was very little to build on: a handful of research reports, some inconsistent street counts, limited knowledge of who the homeless were and what had been their path to homelessness. Some success appears to have been achieved. EKOS Research Associates Inc. reported in 2002 that public awareness of homelessness increased following the introduction of the NHI. NSH, together with the regions, developed a strategic research plan and began funding research. CMHC started, and then NSH took over, the Homeless Individuals and Families Information System database. This computer-based tool aids administration in shelters and accumulates

## Accountability

Two dimensions of accountability were important: accountability *roles*, and accountability for *results*. GoC funding agencies are responsible to Parliament for their spending; provincial and territorial governments are responsible to their legislatures; municipal governments are responsible to their taxpayers. The community entities or the homelessness committees were responsible to the people they represented: homeless people or those at risk of homelessness. These roles overlapped, particularly those of the GoC and communities.

NSH, working with the HRDC regions, began in early 2000 to develop a financial management system that would stand up well to audit and would generate information useful in reporting on results. While the grants and contribution issue was severely affecting HRDC, there was a small silver lining for NSH – the lessons learned coming out of the departmental review could be adopted at the very beginning of SCPI. While it was thought reasonable that NSH should make itself as audit-proof as possible, the communities were not expecting so much SCPI red tape. One community representative commented, “Administrative require-

ments were a nightmare.” Concerted efforts were needed to simplify, explain and modify before financial and reporting practices had finally settled in and were tolerated.

Also in early 2000, a methodology for carrying out evaluations was approved. There were to be separate program evaluations of SCPI and the enhancements to youth and Aboriginal programs. SCPI and urban Aboriginal spending were to have their own program evaluations. An additional performance indicator relevant to homeless youth was to be developed for youth employment programs.

As the first year of the NHI passed and there was more discussion with regions and with communities, NSH came to realize that the real outcomes with respect to homeless people and the communities in which they lived would have to be built around the *shared outcome* of federal investments combined with investments of money and time by community partners. These outcomes would differ from community to community.

But there were formidable challenges. There was no homelessness demographic baseline, only a number of unreliable street counts and information scattered in community homelessness plans and research reports. There was limited understanding of the paths to homelessness and the numbers and characteristics of those going out of and returning to homelessness. Situations and priorities varied: there were 61 different NHI communities, none of them easily comparable. The factors leading to “absolute” homelessness and to the risk of homelessness were unpredictable: poverty, landlord decisions, demographic, cultural, immigration, pressures on the family, and so on. Moreover, if the challenge was to *measure* the outcomes, including human outcomes, *attributable* to GoC investments through the NHI, then how to deal with the many externalities, as well as the fact that the GoC dollars were intended as a catalyst for other (non-GoC) investments of time and money within the communi-

ty? And with those ambitious, hoped-for primary outcomes (“eradicate roots of homelessness,” develop a continuum of supports), had three years been enough to make progress?

One senior policy official posed this challenge: “The test is going to be whether it [the NHI] has actually done anything beyond building partnerships... We have to make some progress along those steps [in the continuum of supports] or it’s a waste of money.”

Several measures were taken.

First, NSH collaborated with HRDC regions and community representatives to build a *logic model* for the NHI: a chart that linked activities, outputs and immediate, medium-term, long-term and ultimate outcomes. So, at least, there would be a common understanding and a coherent model that would link investments with generic intended results.

Second, community evaluations were undertaken through a consultant contracted by HRDC’s Evaluation Directorate. The consultant reviewed the plans and documents related to communities, and visited communities to interview stakeholders on how they assessed progress to date and the lessons learned.

NSH also posted information on community projects and project case studies on its Web site. A team from NSH travelled to communities and provided training on outcome assessment and reporting. Near the end of the first three years, NSH collected community reports and released a public document summarizing the observations that had been made. Beyond this, HRDC regions collected information and made it generally available to communities.

By the end of 2002, the evaluation identified benefits in the form of new and improved facilities and services for homeless people, as well as enhanced coordination and collaboration. Thus, community capacity to address needs had improved. However, the benefits were mainly at the front end of the continuum of supports – meeting emergency needs through invest-



ments in infrastructure such as emergency shelters. For those who would look to the capacity of communities to prevent homelessness or to move homeless people along the continuum and toward greater independence, the outcomes were less than favorable. Nevertheless, the partnerships and the coordination were indeed coming together. The focus of the extended NHI was to help people move further along the continuum through sustainable community efforts.

There was a link between community accountability and GoC accountability. For the “entity” communities, there was not only an agreement on paper but a trust relationship with the GoC as well.

Most of the entities had community advisory committees that reviewed funding proposals and made recommendations to the municipalities. This made governance more inclusive, but it could, in some cases, pose an accountability issue. Graham, Kerr and Phillips suggested this in a report otherwise very favourable on how the NHI worked in Hamilton: “HRDC’s desire to flow SCPI dollars into the community may have overshadowed the clear delineation of accountability responsibilities and relationships among the various

players (the City as the Community Entity, the Community Advisory Board as a review, advisory and decision-making body, and HRDC and the Minister). We believe there may be some risks associated with proceeding to implement SCPI via the Community Entity municipal model in the absence of greater clarity and understanding on the part of *all* the parties around issues of ultimate political accountability.”

Shared model communities had less accountability because, once funding contributions were approved by the GoC, accountability resided in the relationship between the recipient and the local or regional office of the government.

If, however, communities developed effective evaluations of the outcomes of the activities by all the partners, valuable information would be available to the GoC. One of the essential elements for plan approval was the carrying out of such evaluations. However, little or no collaboration or guidance was undertaken on the methodology(ies) for such evaluations. While expenditures on evaluations were fundable under SCPI, this meant that the community would have less money left in its allocation for

services or projects to directly help homeless people. Thus, despite accountable practices undertaken within communities and, in some cases, within regions, potential was lost for the commitments to contribute coherently to a national evaluation of the NHI.

Even with the lessons learned and some challenges not met, there was the qualitative dimension. The communities themselves tended to regard the NHI, and SCPI in particular, as a considerable success and a foundation for other approaches.

- Accountability to Canadians and evaluation should be among the first considerations in policy development rather than afterthoughts.
- A baseline of data and knowledge is extremely valuable for any policy initiative; however, when it is necessary to act without this baseline, reasonably effective alternatives can be developed to satisfy accountability requirements.
- It is important to find a way for all the partners in an initiative to work together on accountability issues and to see what they can share.
- Development of a sound financial management and reporting system to facilitate accountability takes time, persistence and the willingness to make the steps as simple as possible.

## PRIOR TO THE NATIONAL HOMELESSNESS INITIATIVE: A SELECTION OF CANADIAN EVENTS

Early 1800s	Despite dire poverty among Aboriginal people and some immigrants, the prevailing view was that Canada had unlimited opportunities for the able-bodied to support themselves. Limited assistance was provided by charitable and religious groups.
1867	<i>British North America Act</i> passed.
After 1867	English <i>Poor Laws</i> influence social approaches of new Dominion: local government responsible for the poor; impoverished parents and children responsible for each other.
Later 1800s	Women's missionary societies start helping the needy.
Late 1800s	Workers organize fraternal societies.
1915	First modern social security program established: <i>Workmen's Compensation Act of Ontario</i> .
1919	Mother's Allowance inaugurated, in Manitoba.
1929	Canada enters the Great Depression. Gross National Expenditure declines by 42% between 1929 and 1933.
1927	Old Age Pensions inaugurated.
1932-36	Unemployment relief camps established for single homeless men.
1932	<i>Manifesto of the League for Social Reconstruction</i> calls for publicly organized health, hospital and medical services.
1940	<i>Unemployment Insurance Act</i> passed.
1944	<i>Family Allowance Act</i> passed.
1951	<i>Old Age Security Act</i> passed.
1943	Marsh Report calls for comprehensive social reforms.
1960s	Medicare begun.
1966	<i>Canada Assistance Plan Act (CAP)</i> provides federal cost sharing for provincial social assistance and social service programs.
1967	<i>Canada/Quebec Pension Plan</i> inaugurated
Early 1970s	Period of economic growth.
1970s	Period of accelerated urbanization; small communities dwindle.
1977	Established Program Financing begun (federal block funding for provincial health and post-secondary education replaces cost-sharing approaches).
1984	<i>Canada Health Act</i> passed.
Late 1980s	Governments face rapidly growing deficits and debt.
1989	Canada-U.S. Free Trade Agreement
Starting in late 80's	Federal transfers to provinces cut, along with other expenditures. Provinces begin to reduce social and health benefits and services.
1995	About 5,350 homeless people sleep in Toronto's shelters each night.
1996	<i>Canada Health and Social Transfer</i> amalgamates Canada Assistance Plan and Established Program Financing into single block fund.
1996	Canada Mortgage and Housing Corporation begins research and starts internal discussions on homelessness.
1999	Social Union Framework Agreement announced by provinces/territories and federal government
1999	Anne Golden Task Force, in Toronto, says: "The federal government... cannot ignore homelessness."



# QUESTIONS

## Chapter 1: The Early Policy History

1. The creation of a “feedback loop” between community voices and federal central agencies was critical for initiating GoC action on homelessness. Can you think of other policy areas where a similar feedback loop was or will be important?
2. Political leadership was another critical factor. Minister Bradshaw sought a grassroots approach and backbencher support, and she appealed to the emotions of all those she had to convince. How can the public service best support the varying styles of politicians?
3. The GoC had to build capacity quickly to deal with what had been characterized as an emergency. A dedicated secretariat was established, policy experts were assembled, and regions were engaged in policy development and consultation. Could or should this kind of approach be replicated to address other emerging policy issues?
4. The GoC responded to the call of community voices, and loud among these voices were those of mayors and city councillors. Do you think a grassroots “pull down” should always be the trigger for direct federal dealings with municipalities?

## Chapter 2: Getting the Government Ducks in Order

### *Federal-Provincial-Territorial Relationships*

5. F/p/t relations on the homelessness issue had their ups and downs during 1999 and 2000, but all provinces and territories eventually accepted SCPI. Why? Was this the result of good strategy or luck, or both?
6. Do you think elements of the f/p/t strategy on homelessness can or should be replicated in launching other policy initiatives?

### *Intragovernmental Relationships*

7. Where do you think the most serious barriers to horizontality of the NHI existed: at the national headquarters, regional or community levels?
8. What action(s) could be taken to effectively improve intradepartmental coordination?
9. Are you familiar with other policies or initiatives that were intended to be horizontal but faced barriers? Were these barriers similar to or different from those that affected the NHI?

### *Managing Finances*

10. What are the advantages and disadvantages of dividing the funding among various departments?
11. The development of the SCPI funding formula involved a shift from use of specific indicators (such as street counts) to ones that were more general (such as population). Do you think this kind of shift is common?
12. What do you think can be done to reduce the red tape in GoC project approval and for joint funding by multi-agencies?
13. Do you think that an entirely different approach to SCPI funding might have been used (such as leaving the money in a pot and providing it to “winning” communities that have developed the best evidence of need and most effective plans for responding to homelessness)? (This approach is used in some U. S. states.)

## Chapter 3: Communities Doing Their Thing

### *Collaboration*

14. What do you think of the role of the facilitator? What are the opportunities and challenges of having officials playing multiple roles: representative



of government, advocate for the community, and active community member and player?

15. Do you think there was a reasonable balance achieved in the NHI between (national) coherency and (community) flexibility?
16. Should community plans play a more central role in program development and delivery? How wide should these plans be targeted: issue-by-issue, or comprehensive socioeconomic development, or sustainable development?

#### *Inclusion*

17. What keeps certain individuals or groups from participating in policy development, planning and program delivery? What strategies that might reduce these barriers?
18. What approaches might succeed in enhancing private-sector involvement in homelessness or other social policy initiatives?
19. The NHI attempted to use a “connected” approach for responding to urban Aboriginal homelessness. Do you agree with the positive assessment of this given by Graham and Peters in their report for the Canadian Policy Research Network?
20. Should the GoC adopt a general requirement that clients (sometimes called “First Voices”) have full vertical and horizontal involvement in policy development, design and delivery?

#### *Governance*

21. Was it reasonable to expect that communities could mobilize their existing resources to establish fully responsible governance over a policy area?
22. Some municipalities took on a governance role respecting homelessness; others did not. Can we expect that municipalities will enhance their roles and responsibilities in social policy? What are the advantages and disadvantages of this?
23. Do you think other GoC policy areas could use the governance approach encouraged by the NHI?

## **Chapter 4: Making a Difference and Letting it be Known**

### *Sustainability*

24. Consider how the GoC attempted to provide some assurances to the provinces and territories on sustainability. Do you think these are likely to be effective? Can you think of any other approaches for providing this assurance?
25. Given what you have learned here about sustainability, do you think this issue will arise again at the end of the three-year extension to the NHI approaches at the end of 2005-06?
26. For communities that become sustainable on the homelessness issue, do you think this could be the beginning of sustainability on other issues (that is, do you foresee a positive “spillover” effect)?

### *Communication and Enhancing Awareness*

27. What do senior managers need to do to support a minister in communication of policy?
28. How can communications on complex policy issues be improved?
29. Should repeated public opinion polls be used as an ongoing guide to a communications strategy?
30. Were there other steps that should have been taken to increase public awareness of homelessness (such as television and radio placements)?

### *Accountability*

31. It is commonly said that “in hindsight it’s easy.” Is this true with regard to the NHI? What steps could have been taken to improve accountability?
32. When the GoC works with the community and provides funding, is it the GoC’s business to influence and ensure the development of the community’s own accountability to clients/citizens?
33. What approach might clarify “ultimate political accountability”? (See the quotation from Graham, Kerr and Phillips.)

# PART 2: TOOLS FOR COMPLEX FILES: LESSONS FROM “VIBRANT COMMUNITIES”

by Sherri Torjman

## INTRODUCTION

The Vibrant Communities project parallels in many ways the work of the Supporting Communities Partnership Initiative (SCPI). It is therefore another example of a complex file. Different project, similar approach.

But Vibrant Communities also differs from SCPI in one important respect. The federal government did not play the initiating or convening role in this case. Why is this significant?

Many projects develop not from the top down but from the ground up. It is therefore instructive to learn about some of the pressures communities face when they take the initiative to engage government as partner. The resulting relationships are somewhat different than those that develop when government is the lead actor.

Perhaps most noteworthy is that this report on Vibrant Communities is not really about communities. Well, it is – but the community focus actually is a metaphor for a more generic concern: how to understand complex files that touch the interests of several government departments.

Complex files typically involve a number of elements. They often combine federal interest and/or funding with local delivery. Bridges must therefore be built to connect the government and the community.

Initiatives that involve multiple departments also raise questions about accountability. Which depart-

ment assumes primary responsibility for the work? Who answers for it and who answers questions about it?

Complex files require horizontal management. This point is so important that it bears repeating. Complex files require horizontal management – which means working across departments and across boundaries. The task would be far more straightforward if the current system were not structured, as it is, within vertical bars.

Finally, complex files raise unique problems in a world that requires – even demands – results-based management. Now more than ever, managers must show that the work they have supported has had a tangible impact.

But even at the most basic level, it is difficult to track the scope of activity. It is still more daunting to identify what worked and to determine what caused what. Which factors were responsible for which results? Attribution is a major challenge in complex files that involve many layers and players.

Vibrant Communities is just one example of a complex file. But it is a file of interest not because of government but by cause of government. Ottawa clearly must play some role in a national project seeking to reduce poverty. Yet it is not a role that the government itself either created or crafted. How can Ottawa best work with and learn from an effort initiated from the outside – in this case, a set of so-called “Vibrant Communities”?



# CHAPTER 1: COMMUNITIES

## What is “Vibrant Communities”?

“Vibrant Communities” is a four-year national effort launched in 2002 to explore promising local solutions to reduce poverty. The project is sponsored by Tamarack (an institute for community engagement), the Caledon Institute of Social Policy, and the J. W. McConnell Family Foundation.

The 14 communities that comprise the project are developing their own multi-year plan to reduce poverty. Some of these plans focus on training young people or helping teenage mothers complete their education. Other communities are setting up loan funds for entrepreneurs who have no access to other sources of cash. Still others are working to expand the supply of affordable housing.

Participating communities include Calgary, Cape Breton, Edmonton, Halifax, Montreal (St. Michel), Niagara, Saint John, Saskatoon, Surrey, Toronto (Regent Park), Trois-Rivières, B.C. Capital Region (which encompasses Victoria), Waterloo Region and Winnipeg. St. John’s will be joining in the near future.

The individual Vibrant Communities are linked together through an active learning strategy. Selected conveners from each of the 14 sites participate in a Pan-Canadian Learning Partnership in which they meet monthly to share ideas, resources and strategies, and to plan their collective work. The communities

seek to improve the effectiveness of their individual efforts through this collaborative approach.

Vibrant Communities also has organized several tele-learning forums. Representatives from the governance structures in the 14 participating communities and other interested parties join together in a teleconference with a resource person specializing in a common area (such as local fundraising). Up to 200 people at a time have participated in these tele-learning forums. After the presentation by the resource person, each community holds its own learning session to consider the application of the material to its unique circumstances.

In addition, several of the communities in the project are receiving substantial funds to support their poverty reduction work. To qualify for these funds, they must convene a multisectoral steering group that includes representatives from at least four sectors: business, government, anti-poverty groups, and the voluntary sector.

The steering group for each site takes responsibility for the initiative in its region. It helps create a vision and strategic plan for how the community intends to reduce poverty.

But the projects are concerned not only with poverty. Several of them focus more broadly on

improving the quality of life. In some cases, they seek to revitalize neighbourhoods that have lost their traditional economic base or that are experiencing serious social problems, such as lack of affordable housing. In other cases, they engage the business community in reducing poverty by encouraging them to pay a “living wage.”

A policy dimension is embedded within the Vibrant Communities project. Several research papers have been written to support local efforts and to encourage the sharing of lessons with other communities. The former Human Resources Development Canada (HRDC) is funding this component of the work.

The Department also provided funds for monthly policy dialogues. These are held with several federal departments and agencies including (the former) Human Resources Development, Health, Heritage, Justice, Status of Women, Industry Canada, Citizenship and Immigration, Privy Council Office, Indian and Northern Affairs, and the Canada Mortgage and Housing Corporation. Recent conversations involved representatives from the Government of Newfoundland and Labrador. Members from Vibrant Communities projects in Halifax, Saskatoon, Calgary, Edmonton and Victoria participate as well.

The purpose of the policy dialogues is to engage key stakeholders in discussions of possible policy approaches and solutions to the problems they face. In recent months, some communities have been asking for more guidance and direction with respect to working at the policy level to help turn their “private troubles” into “public issues.”

Governments are becoming increasingly involved in various forms of dialogue with communities. The question is why? Communities are not “new.” In fact, community approaches to tackling economic and

social problems were in place well before government ever played a major role in these areas. So what has sparked this new interest?

## Why Focus on Communities?

Part of the interest in policies related to “place” stems from the growing evidence from a wide body of literature that communities matter. They matter in terms of their meaning to Canadians, who experience first-hand and on a daily basis the quality of their neighbourhood or region – in the form of clean air, safe streets, green space and playgrounds, and other amenities.

There is also growing recognition of the importance of communities for social and economic well-being. Communities serve as the foundation for social development. The healthy development of children depends, in large part, on the social context in which they grow up.

Communities also foster human development through learning, which is the gateway to success in the knowledge economy. It is in communities where opportunities arise for learning and networking – both essential ingredients for innovation.

On the economic front, communities are being increasingly recognized as the engines of national economies. A national economy is the sum total of its regional economic activity.

But perhaps most important: most government policy takes effect at the local level. A policy developed in Ottawa is good only to the extent that it is applied effectively in Come-by-Chance, Joliette, Toronto, Brandon and Prince George.

The local application of national policy is not an easy task. In fact, any work undertaken at the community level generally is synonymous with “complex file.”

The economic, social and environmental challenges confronting both communities and nations are becoming increasingly complex. This complexity is rooted in many factors, including the globalization of economies, the impact of rapidly changing technologies, the polarization of wages and working time, social exclusion and population aging.

There is also greater awareness that the traditional methods of dealing with issues – single government programs to tackle identified problems – are ineffective and inappropriate. The methods are ineffective because they do not take into account or focus on the myriad factors that contribute to a given problem.

The solutions are inappropriate because they assume that governments alone can solve problems without appreciating or harnessing the contributions of other sectors, including business and voluntary organizations. The responses typically overlook the role that citizens can play to help resolve local issues.

The complexity of the issues and the limitations of traditional interventions have given rise to a new approach to addressing community problems, known as “comprehensive community initiatives.”





# CHAPTER 2:

## THE TOOLKIT:

### COMPREHENSIVE COMMUNITY INITIATIVES

The comprehensive community initiative approach developed in the U.S. These initiatives draw on the accumulating evidence that services meant to improve the life prospects of the poor are often unsuccessful – at least in part because they are so fragmented. Comprehensive community initiatives also recognize the growing body of research that points to the role that community conditions, sometimes called “neighbourhood effects,” can play in perpetuating or reducing poverty.

These initiatives tend to be broad in scope and address a range of issues rather than a single concern. They typically select an overarching theme or population as their focus. They then determine, in collaboration with key players in the community, the wide set of interconnected projects and possible actions that fall within the overall domain. The SCPI approach to homelessness is an example of this approach – much like Vibrant Communities, in which poverty reduction provides the overall umbrella.

Comprehensive community initiatives are based on a set of principles. The Vibrant Communities project in particular, and community initiatives more generally, are *community driven*. This means that citizens play the primary role in identifying the concerns, prioritizing issues, and determining the interventions they

deem appropriate for tackling those concerns. An approach shaped by the community tends to be distinct from government practice, which typically sets out parameters for the goals and objectives of a project, the activities deemed acceptable, and the associated time frame for their achievement.

*Government as partner* is another guiding principle. Comprehensive community initiatives encourage partnering and collaborative work. They recognize the value of contributions from diverse backgrounds, networks and areas of expertise. Collaborative relationships create value by bringing new resources, insights and expertise to the table.

But governments often find it difficult to act as partner, especially when they are involved in funding a community group. In fact, some argue that an equality relationship is impossible, given the obvious power imbalance.

Moreover, public servants may not feel comfortable as partner. They usually are assigned a monitoring and audit function: checking reports, receipts, invoices and other “deliverables.” They rarely have permission to contribute to local community processes from the perspective of substantive knowledge or expertise. They need to be encouraged, and indeed rewarded, by the system to act in this capacity.

Comprehensive community initiatives are also *asset-based*; that is, they seek out the resources embedded in communities. These approaches tend not to view a community through the lens of its weaknesses. Rather, they affirm its strengths and build on these assets to expand local capacity and opportunities.

*Inclusion* is another key principle. Comprehensive community initiatives try to be comprehensive, and not just from the perspective of the issues they address. They are also inclusive in terms of the members they involve. They attempt to engage diverse

sectors as well as groups, such as people living in poverty, youth, Aboriginal Canadians and members of racial minorities.

Finally, comprehensive community initiatives seek to make changes to the broader social and economic context. They recognize that local efforts can go only so far in what they can achieve to help improve the quality of life for individual families. Much of what is required goes beyond what local efforts are able to accomplish. A policy focus also is required. So where does government fit into this picture?

# CHAPTER 3:

## GOVERNMENT AND GOVERNANCE

### What is the Role of Government?

Healthy communities are vital to the economic and social well-being of individuals and to the nation. But the fact that communities are central to economic and social well-being does not mean that they can or should sustain their health entirely on their own.

While communities matter, governments are also important – perhaps more than ever. Thoughtful leadership, careful investing and the enabling of local capacity are major government roles.

As *leader*, the federal government sets the moral, legal and fiscal context for the country. International agreements to which Canada is a signatory create the frameworks for environmental, economic and social policy. These, in turn, affect every community.

Governments also act as leaders by modelling desirable behaviour. They can decide, for instance, to purchase goods and services from enterprises that operate within the social economy. Many environmental businesses in the social economy, for example, both provide recycling services and hire workers considered hard to employ.

But governments do more than craft the framework. They also make *strategic investment* – in citizens, social infrastructure and the capacity of communities. At the individual level, governments can invest in

education and training opportunities that enable all citizens to participate in the knowledge economy.

In addition to investing directly in individuals, governments can provide funds for the social infrastructure that contributes to healthy communities. Key elements of social infrastructure include affordable housing, early childhood development and recreation. Governments also can invest in the capacity of communities through the provision of venture capital, funds for business start-up, and loan guarantees.

But while governments are the primary agent for social investment, they cannot do this on their own. The federal government must work in partnership with other levels of government, voluntary organizations, the private sector, parents and community members, municipalities, employers, trade unions, schools and service providers.

It is around the support of collaborative efforts that the *enabling role* of government becomes particularly important - by helping communities pool the resources and expertise they need to address complex issues. The process involves rethinking the use of community resources and building relationships among these resources for mutually beneficial problem solving.

Building the capacity of communities to tackle economic and social challenges is not a replacement for a

strong public core of supports and social infrastructure. Rather, it is a complement – an additional component that adds immeasurably – to that solid core.

As a first step, government as enabler can help support the *convening* role. An essential early step in any community process is to identify the key players and build relationships with relevant sectors and organizational partners. These collaborative efforts do not happen on their own. They require a coordinating or governance mechanism to bring and hold together the diverse players.

Governments can do more than make available financial support for a local convening process. They can participate as active partners by sharing information on research and projects under way in other parts of the country or throughout the world that can help guide the local effort.

Communities that seek to tackle complex economic, social and environmental problems often require assistance in addressing these difficult areas. Governments are in a unique position to provide support for this *technical assistance* – informed direction that enables communities to carry out their identified goals effectively and efficiently.

Communities may need guidance, for example, to construct a nonprofit housing complex, operate a housing co-op, teach entrepreneurial skills, set up a community loan fund, or appropriately dispose of waste. The establishment and operation of these activities usually build on years of experience and expertise.

Governments can encourage *learning both within and between communities*. Communities can learn from each other's experiences and can raise the bar of practice to increasingly higher levels rather than starting at square one in every case.

Governments also can provide funding for *research and the strategic collection of information*. This is a natural role: governments collect, store and analyze information. The information is crucial not only

for understanding the current context but also for tracking trends and determining whether progress has been achieved over time – all part of the vital accountability agenda. One major area of research involves the *development of statistical databases* related to labour market trends and emerging skill needs.

The focus in recent years on government employees as managers of projects or of selected “files” tends to diminish the importance of their substantive knowledge. Yet government employees have expertise in many areas, including the collection and management of information.

This knowledge is especially valuable to communities that wish, for instance, to produce an inventory of local assets and skills or to conduct a survey of current and prospective housing vacancies or employment opportunities. National labour market surveys, for example, cannot be readily disaggregated to individual communities. But the federal government, in particular, can provide guidance and expertise to help communities determine their labour market trends and emerging skill needs.

Another area of research could focus on *substantive policy areas linked to homelessness, poverty reduction or other key issues*. These involve traditional areas such as decent affordable housing, skills training, community economic development, and environmental cleanup or restoration. This work also can explore barriers that may be embedded in housing or welfare policies that make it difficult to build affordable housing or help the unemployed move into the labour market.

Other areas of support for community work involve the *identification of exemplary practices* within and outside Canada. But community work can succeed only to the extent that it operates within a supportive policy context. The policy dimensions of community work often are overlooked, even though these profoundly affect the ability of communities to find effective solutions to the issues they are addressing.

Good policy work, in turn, is accomplished not only through strong research and analysis. It also involves key stakeholders in *discussions of possible policy approaches and solutions*. As noted, Vibrant Communities convenes a monthly policy dialogue with representatives from various federal government departments and agencies.

It is one thing to describe the role that governments can – and should – play with respect to community initiatives. It is quite another to make these complex files work effectively. The many challenges arise from pressures related to local governance, horizontality, and results, results, results.

While comprehensive community initiatives make up a powerful toolkit, there are some problems with the component tools. When it comes to complex files, the “swords,” the “pegs” and the “widgets” tend to be particularly problematic.

## The Swords: Governance Issues

Vibrant Communities is described here as a national project. But it embodies far more than a set of local activities. It represents a change in who takes responsibility for tackling public issues. It is a small example of a big theme: the emerging shift from *government* to *governance*.

The shift has been significant, particularly in Europe. It is a move away from governing by detailed rules and regulations set out in acts of Parliament to frame-setting legislation. More detailed regulation is left to local actors and institutions.

Local governance can assume many forms. There is no single methodology or model. The concept includes both informal processes initiated and driven by local communities and formal models officially sanctioned by federal, state or local governments.

Several factors appear to be driving the interest in local governance. The profound economic and technological changes of recent years may have brought pros-

perity to some groups and countries. But they also have created severe hardship for others who face widespread unemployment, social dislocation and unprecedented disparities.

Another factor driving the new forms of governance arises from dissatisfaction with traditional political processes and declining confidence in formal institutions. As noted, there is increasing recognition that current government structures are unable to tackle the many complex social, economic and environmental problems they face.

The rising interest in local governance is partly an attempt to seek more effective solutions to complex problems. These mechanisms can help increase the scope and significance of citizen participation in their own affairs. Local governance is one way to address the “democratic deficit.”

Despite the strengths of local governance, it would be incorrect to assume that there are no problems with these arrangements. Here is where the “swords” come into play. Actually, the swords in the complex file toolbox are of the two-edged variety. They are “on the one hand; on the other hand” kind of swords.

The two-edged-sword dilemma arises around the issues of ownership and authority. It begins at the beginning – with who convenes the local governance process. The question of convener is important because it determines who controls the agenda, who is paying attention to the work, and how the process will remain alive in the long run.

In the SCPI model, for example, the federal government played the convening role. It created the authority for and a legitimization of the process. It was able to bring together the key players in the community. In some cases, Ottawa called and led. In other cases, it called and turned over the process to community representatives. Either way, it called and they came. The federal seal of approval was a crucial factor in the program’s overall record of achievement.



But it was not just Ottawa's call that kept the process alive and well in many communities. It was the guarantee that someone "in government" was listening. The implicit authority helped ensure the success of many of the SCPI processes.

The power derived from federal authority was reinforced by the power of its purse. Authority and money are irresistible to most communities – which typically lack both.

The roots of Vibrant Communities, by contrast, lie solidly in and on the ground. The project was spearheaded primarily by a national voluntary organization, Tamarack. In order to receive substantial funding to support their work (primarily from the J. W. McConnell Family Foundation), communities are required to engage representatives from at least four sectors. Government is one of the sectors.

But government is not the driver of the process. While governments at all levels are involved in the project in diverse ways and to varying degrees, they play more the role of passenger than driver. Does this matter? Herein lies the dilemma of the two-edged sword.

There is no point comparing the relative influence of the two processes; they cannot be compared. SCPI is imbued with a power that is simply the dream of most community efforts. The federal backing – in both interest and funds – is an unbeatable combination.

But is SCPI embedded in the heart and soul of the community? Is the process locally "owned"? Is it something that took hold because the community itself recognized homelessness as a grave problem and mobilized resources to do something about it? Or was the activity the inevitable response to the cachet of cash?

And what happens if the government decides to pull back – or out? Or to quote a not-so-famous songwriter: "Whatcha gonna do when the money runs out?"

The questions are important because they speak, if only indirectly, to the issue of sustainability. If a community does not generate its process from the ground up – if the process is initiated from the outside – will it outlast the money?

It is too early to answer these questions. They can only be posed at this point in the process, as a heads-up regarding what to watch in future.

These questions are not meant to imply that the Vibrant Communities processes will outlast the SCPI efforts. In fact, the Vibrant Communities projects are vulnerable for all the reasons that make SCPI so strong. They receive no government funds for their convening process. They have no legislated authority. Their main strength is that the communities wanted it. The challenge for government managers working on complex files is to figure out how to embed a government-led initiative in the hearts and minds of the community.

Government managers also need to think about exit strategies *before* they enter communities - not a month before the funds dry up. It is possible that government will decide right from the outset that it will be involved in a given issue for the long haul. There may be no need for managers to devise an exit strategy because they are committed to the achievement of a certain goal. They will know when the time comes for an exit: when the goal has been reached.

While the no-exit-until-the-job-is-completed strategy is ideal, it is unlikely in the world of fiscal imperatives. Government must think carefully prior to embarking upon any complex file. Before it gets all the players playing, it should have a strategic plan for how to embed the process within the community.

Local governance mandated from the top can be viewed an executive form of community development that is highly effective in the short term. But the process may be short-lived unless continually

resourced by the convener that gave it life, because the process may not have a life of its own.

Most approaches set up by government rarely figure out this component. The end result is that the community often is left in disarray or angry. They have not spent the time building the capacity they will need when left on their own.

One option is to build into the work a component that ensures that the community itself can take over the process. This could be through training local organizations in the convening role or in local fundraising. There could be support for “friendraising,” as Vibrant Communities calls it, to broaden the circle of parties interested in the local effort.

The challenge of managing complex files that involve community application is to find a fine balance. There is a powerful legitimization that comes with the formal sanction of government – especially when that government plays the role of convener.

But the lack of community ownership makes it difficult to ensure commitment to an issue on an ongoing basis – commitment that will continue beyond the life of an individual project or single government. Government sanction confers a degree of *capacity*. But it does not necessarily confer the *commitment* required over the long term to deal with a complex issue on an ongoing basis.

Perhaps short-term *capacity* and long-term commitment need not be a trade-off. They need not be two edges on opposite sides of a sword. The challenge is to devise mechanisms for local governance that confer *both capacity and commitment* in order to ensure the long-term sustainability of the effort.

Two-edged swords raise some important issues. But these are likely less difficult than the challenges posed by “square pegs.”

## The Pegs: Horizontal Management

Pegs are a problem only when they are square and the holes into which they are being fit are round. Just like complex files and current government structures.

The problem arises when complex files that involve many different players and elements try to holistically address the diverse elements of a given issue. They are usually stopped at some point when they come face to face with the vertical silos of governments. Vibrant Communities provides an example of the problem.

There is clearly a mismatch between the community process and the structures it is trying to influence. The square pegs on the ground don’t fit the round holes at the top. Or perhaps more aptly, the round holes on the ground don’t fit the square pegs at the top: the compartments called “departments.” Either way, there is a serious disconnect.

The value of a complex file is just that – its complexity. It seeks to work on the connections among the issues. It looks for the links. It tries to influence the “what caused what” to intervene more strategically and effectively in the process.

Similarly, the strength of comprehensive community initiatives is that they seek to move away from a single focus. The Vibrant Communities projects recognize, for example, that poverty is not related to one single factor. There is clearly a range of interventions or remedies that may be put in place to tackle the scope of the problem.

If the community decides to focus only on its local activity, then it usually can proceed quite well. But if it decides to address some of the issues through higher-level policy changes, then it comes face to face with the complex labyrinth called “government.”

Governments are organized to deal with human problems as if these are segregated into distinct social,

health, education and economic needs. But human lives are not divided into individual compartments. Everything is joined. The hipbone actually *is* connected to the thighbone.

Individual health, for example, is a function of many variables, including socioeconomic status and income. Income depends, in turn, on factors such as level of education. Education is a function of the quality of family and neighbourhood supports – and so on.

It is a daunting challenge to translate a horizontal agenda that cuts across these domains into the vertical silos at the federal and provincial levels. So far, the onus has been on the local governance processes to figure out how to fit their round, fluid agendas into the narrow, vertical policy cylinders of governments.

Moreover, the policy of one department or even one government often creates problems relative to the policies of another branch or level of government. For example, one federal department currently provides assistance for the purchase of disability supports. The purpose of this assistance is to enable students to attend post-secondary education and ultimately earn an income. The difficulty is that another federal department treats this benefit as taxable income and takes back part of the benefit.

The problem happens at the different levels as well. Provinces may provide benefits that the federal government taxes back. Or Ottawa may provide a tax credit that the province then scoops back.

Another issue arises with respect to who is in charge. The good news is that complex files involve a wide range of decision-makers. These initiatives recognize the value of contributions from diverse backgrounds, networks and areas of expertise. Collaborative relationships create value by bringing new resources, insights and expertise to the table.

The bad news is that complex files involve a wide range of decision-makers. At the end of the day, who takes responsibility for what happened (or didn't)?

Who keeps and counts the funds? Who's steering the ship?

At the community level, these questions may be easier to answer. It is typically the convener organization that assumes the role of primary authority. Any funds paid to the community are channelled through the convener, which is responsible for reporting process and progress.

At the government level, a complex file may work somewhat differently. Typically, a government department either takes responsibility for the convening function or is asked by a central agency to assume that role. The Minister of the convening department becomes the key point person for the file.

But a complex file typically means that the staff of several departments are involved in the work. These departments are likely contributing funds to the effort as well. Several problems may arise at this point.

The minister from the convening department typically has little control over the actions of staff in other departments, even though he or she has primary responsibility for accounting for the success of the effort. Moreover, ministers from other departments may have little control over how their respective contributions are spent once these are rolled into a larger effort. Yet these ministers still must account for the expenditure of their funds.

While the challenges are large, they are by no means insurmountable. Perhaps the most significant task in managing a complex file is to ensure that the various parties to the initiative are clear about their respective roles.

It is important as well to clarify expectations. For example, what kind of decisions about the various areas of work can be made individually? What sorts of decisions require the agreement of the group? What types of public communication can be issued under the auspices of a single department and when is a joint communiqué required?

It is also essential to ensure open and frequent communication. Efforts should be made on an ongoing basis to share information about the intended goals of the joint effort, the activities undertaken to date, the progress in achieving the objectives, and the use of funds. Determine roles, clarify expectations, and share progress – frequently.

At the community level, a major challenge within comprehensive community initiatives is that they seek to be inclusive. They want to ensure that the right people, in terms of both numbers and quality, are at the table. Horizontal files in government face the same issue: who should be there and how much is enough?

There is no simple answer to these questions – just a general rule of thumb. There must be enough diversity to ensure that the key dimensions of a complex file are covered. As noted, Vibrant Communities are required to engage representatives from at least four sectors. But the number of participants must be small enough for a workable group – otherwise, logistics and communications problems will get in the way. Even a horizontal structure can topple under its own weight.

Generally speaking, governments are not structured to easily handle complex files. They are not set up as seamless entities. Open and frequent communication is one solution. But sometimes the accountability imperative kicks in and even ongoing contact is not enough. Herein lies the challenge of the hard “widgets.”

## **The Widgets: Results**

At some point – usually sooner than later – complex files come face to face with a major challenge: the counting of the widgets. These are the outcomes or results that governments are eager to achieve.

The federal government, in particular, has made clear its interest in results in order to demonstrate that its investments have made a difference. The Treasury Board of Canada Secretariat document *Results for Canadians: a Management Framework for the Government of Canada* uses these very words:

A modern management agenda requires managers to look beyond activities and outputs to focus on actual results—the impacts and effects of their programs. Managing for results requires attention from the beginning of an initiative to its end. It means clearly defining the results to be achieved, delivering the program or service, measuring and evaluating performance and making adjustments to improve both efficiency and effectiveness. It also means reporting on performance in ways that make sense to Canadians.

There is no question that managers of complex files must have a clear sense of what they are seeking to achieve. They must set clear goals, carefully track their work, and try to reach their designated targets. Progress toward goals is measured through outcome indicators. These include, for example, an increase in the availability of shelter spaces or permanent affordable housing units, or in the numbers of persons who found paid employment, or households that moved out of poverty.

But often the quest for hard-and-fast results means that community processes end up “creaming”: selecting as participants in their programs those most likely to succeed. Yet it is precisely the individuals who are vulnerable and marginalized who most require these efforts.

Another problem arises from the fact that the strong interest in outcomes could end up in overlooking of other important work not considered “hard” data. Government managers must recognize that the process by which goals are reached in complex files is also significant. The real value-added of comprehensive community initiatives, in particular, comes from the creation of structures that enable the community to reduce poverty, change policy and introduce innovation.

Process indicators are, therefore, an important aspect of measuring results. These indicators include, for example, the creation of new partnerships between and among organizations that had not worked togeth-

er in the past, the allocation of staff and other resources to the initiative, or a review by local government or private business of their respective policies and practices.

Process indicators also can capture the extent to which the community has created new relationships and associations: its social capital. Through the network of bonds and trust that it creates, social capital contributes to social cohesion, especially in light of economic developments that drive a wedge between rich and poor families as well as rich and poor nations.

These are just some of the lessons from Opportunities 2000 (OP2000), the precursor to Vibrant Communities. OP2000's vision was to reduce poverty in Ontario's Waterloo Region. It set out to move 2,000 households out of poverty by the year 2000. (In retrospect, it would have been easier to achieve 2,001 by 2001!)

The project felt that a "dare-to-dream" target would help mobilize the community. It was also simple to remember. But the OP2000 goal was nearly impossible to attain - at least within tight time parameters and the economic context: lots of low-paying work at irregular hours. About 1,600 households moved out of poverty by the end of the project. Was that a success or failure?

The numbers sometimes masked the other important achievements of the effort. OP2000 engaged at least 30 community agencies and organizations in partnerships around various aspects of poverty reduction. Several partners, including the regional government and local chamber of commerce, allocated staff time and resources.

A committee of private-sector representatives formed as part of the project developed a human resources guide for employers. It covered adequate salaries, associated benefits, flexible work time,

and training and volunteer contributions to the community, such as mentoring and voluntarism. As a direct result of involvement in the project, one national employer introduced a pay increase for entry-level employees across the country.

Outcomes often are designed to capture the changes in individuals and households. For example, improved levels of education and higher levels of income are typically employed as positive measures of change. But community-level changes (or system-wide changes, in the case of other files) can also be tracked. These are particularly important in the case of complex files.

Community-level results include the expansion of the local leadership base, and of citizen participation more generally. They involve the development of a widely shared vision and understanding - a strategic community agenda with markers to identify tangible progress toward goals. Better resource utilization by the community is another system-wide outcome that, in turn, can result in more effective organizations and institutions.

This example illustrates a more general point. Complex files should pay attention to measures of both outcome and process. Hard widgets are not the only results that count. There may be many different sources of quantitative and qualitative data: the citizens affected by a given effort, those responsible for its administration, the funders of the initiatives, partner organizations, and broader community participants.

Another consideration is to set longer-term outcome measures that have an interim set of results and benchmarks. OP2000 set up an advisory group that helped guide the evaluative process.

Several other measures can be taken to address the problems that arise from two-edged swords, square pegs and hard widgets. Sometimes the tools just need to be retooled.



# CHAPTER 4:

## RETOOLING THE TOOLS

The Vibrant Communities project held a face-to-face forum in September 2003, at which four members from each of the participating communities were invited to attend. Government representatives from the policy dialogue, earlier described, also were invited.

Community members and government representatives participated together in small group discussions. They were asked to identify the factors that contribute to the success of a comprehensive community initiative in which government is involved as partner. The results apply equally well to complex files. They can be summarized as the five Cs: commitment, collaboration, communication, capacity building and continuity.

The first important factor is *commitment*. This refers to a sense of obligation that the work is important and is worth doing. It often helps in dealing with a complex file to have a designated champion – whether politician or public servant.

Commitment also means that all parties to the complex effort, whether they are government departments and/or community groups, agree that they will be accountable to each other. They commit to support and trust each other. This means that partners in a complex file must be honest about their various successes and failures without fear of repercussions.

Open and direct *communication* is essential to the success of a complex file. This derives from relation-

ships based on mutual respect and trust built up over time. Part of this mutual respect comes from understanding and learning about each other's culture (or in the words of one participant: "learning about each other's clutter").

Whether the complex file involves government departments only or whether it engages communities as well, the bottom line is the same. Good communication entails recognizing various areas of expertise, understanding mandates and plans, and clarifying expectations about roles. It is also important to arrive at a common understanding of the problem or issue being addressed. The real issue is to find a shared purpose to which all parties can agree and a methodology for reaching that goal.

There should be ways to ensure communication on an ongoing basis. A centralized information point on the Web was identified as one possibility. While important, this would not replace the personal interaction deemed vital to the success of complex files. Community representatives noted, however, that the frequent turnover of program officers and other key staff in government often make it difficult to maintain this personal contact.

*Collaboration* moves beyond simple communication to actual work together toward the achievement of desired outcomes. This is easier said than done.



Neither communities nor government departments typically work collaboratively. Community organizations must compete with each other for funds and the attention of governments. At the government level, there is typically a lack of coordination between departments as well as between levels of government.

Planning, research, evaluation and accountability were named as four areas around which *capacity*-building efforts were required. One of the most important skills in complex files is the ability to effectively manage risks and expectations. It is essential to gather solid (qualitative and quantitative) evidence, to analyze it, and to present it effectively. There is a need to understand the concept of outcomes and to determine the various indicators that can be used to track progress.

The development of a policy capacity for both government and communities was identified as another important dimension of capacity building. Communities need skills to engage with governments in policy dialogue, almost as a participatory policy development process.

Finally, the time, resources and efforts that go into a complex file are not worth much if they cannot be sustained in some form. Sustainability is an issue for funders – especially for governments that may experience political fallout if the exit strategy was not well planned (or not planned at all).

Flexible, long-term commitment to funding is an important ingredient of sustainability. Sufficient time is another key element for success.

Comprehensive community initiatives recognize that complex issues cannot be resolved in the short term. It takes time to establish relationships among the various sectors. It is not easy to build trust among organizations or departments that have not even talked to each other in the past, let alone worked together to achieve a common goal.

Governments typically operate within limited and narrow time frames that a true process of community development cannot meet – especially initiatives that address complex issues such as affordable housing, poverty reduction, unemployment, food security, crime prevention and ecological sustainability. These processes do not magically fit into a fiscal year, beginning on April 1 and ending on March 31.

Complex initiatives, particularly those that involve communities, are not tied to political tides. The local rhythm sets their pace.

In Saskatoon, for example, the Core Neighbourhood Development Council, part of Vibrant Communities, initiated a community planning process that set its sights 20 years into the future. The community organizations that are leading this effort recognize that the web of challenges facing Saskatoon's inner-city neighbourhoods developed over a long period and will not be untangled over night. It will take years of sustained effort on behalf of local residents to bring about the desired change.

Twenty years clearly is a stretch for governments. But a gradual shift in thinking toward multi-year time horizons certainly would be a move in the right direction.

# CONCLUSION

Some government managers have not yet had the opportunity to work on a complex file—although many current tasks are no doubt complex! But it really is only a matter of time; as the world grows more complicated, the complex file in government will become the norm rather than the exception. It is not too soon to prepare the toolkit by understanding – and sharpening – its component tools.

# ABBREVIATIONS AND ACRONYMS

AHRDA	Aboriginal Human Resource Development Agreement
CAP	Canada Assistance Plan
CHST	Canada Health and Social Transfer
CMHC	Canada Mortgage and Housing Corporation
EI	Employment Insurance
f/p/t	Federal-Provincial/Territorial
FCM	Federation of Canadian Municipalities
GoC	Government of Canada
HRCC	Human Resource Centre Canada
HRDC	The former Human Resources Development Canada*
LMDA	Labour Market Development Agreement
MC	Memorandum to Cabinet
MP	Member of Parliament
NGO	Non-governmental Organization
NHI	National Homelessness Initiative
NSH	National Secretariat on Homelessness
OP2000	Opportunities 2000
p/t	Provincial/Territorial
PCO	Privy Council Office
PMO	Prime Minister's Office



*Have your 2CO at NSH CC me at PWGSC so we can sort out this acronym SNAFU ASAP.*

PWGSC	Public Works and Government Services Canada
REH	Regional Executive Heads
RRAP	Residential Rehabilitation Assistance Program
SCPI	Supporting Communities Partnership Initiative
SFT	Speech from the Throne

*\* As of December 12, 2003, Human Resources Development Canada was replaced by the departments of Human Resources and Skills Development Canada and Social Development Canada.*