
North Region STOB 80 Reduction Planning Process and Principals

STOB 80 Contracts – Baseline Funding Reductions

Planning Process

Management Team informed of targets and agree on processes for 09/10 and initiate a process for 10/11

Initial budget target estimates established.

Contractors informed of the two processes and invited to one of 5 teleconferences to discuss the process of for 09/10 cost recovery and provide input into the Regional 10/11 Principals, guidance and process. --- August 21 st. Completed

Consultation with communities contractors , conference calls - Completed September 8/ 09 --- Sept

Second draft of financial estimates factoring in over commitments

Input from Management team Sept. 23 – 24 /09 complete

Compilation and distribution of agency feedback and further drafting of a planning document Sept. 15/09 complete

Reduction sub- committee meeting ----- Sept. 15 Complete

Redraft of Planning Process document – Sept.19/09

Attempt to re-engage service providers and establish working groups to provide input. Rhonda to organise conference call Late Oct. - First week of November.

Redraft of Process and Planning Document for the Management Teleconference for more input and process guidance – Sept 19/09

Establish a central site for Q&A's Scott to gather seek answers and post updates on the Web site.

CSM's to define stakeholder input process in the sub-Regions and submit to Del Graff- November 5/09

Del and Peter stakeholder involvement Plans – November 9/09

Staff to provide input into reductions

Contract Managers have plans for reductions submitted to Del Graff by December 15/09

Del and Peter review the plans for reduction and approve December 18/09

Letters and conversations providing notice to impacted contractors starts on plan approval and is concluded by Jan.31st for contracts that have 90 cancelation clauses.

Roles

RED – Executive Sponsorship

Director of Ops – Project Leadership

Finance – Financial Planning

Planning – Planning Resources and documentation

Procurement - logistical support and expertise

CSM's - reduction planning & implementation

Aboriginal Service Managers – communication support

Principles and Guidance

PROVINCIAL DIRECTION

- This reduction is intended to be consistent with the attrition, recruitment lag, and corporate streamlining being implemented internally in the ministry's own operations.
- In 2007, an Infrastructure Cost Research Project was undertaken jointly with the Federation of Community Social Services of BC (Federation) in response to rising community agency infrastructure costs. In response to the report on this project, the ministry has taken the position that "there is no 'one-size-fits-all' solution to these complex issues, and negotiations will have to take place on an agency-by-agency basis to address cost pressures facing each agency.
- Ministry contract managers and Regional Executive Directors have highlighted the importance of consultation and collaboration with local and provincial service sector partners including the Federation and the BC Association of Child Development and Intervention (BCACDI).
- Regions have recommended the budget reduction not be applied to non-discretionary ministry programs and services that are currently under significant cost pressure. These include Children in Care (permanency planning), Delegated Aboriginal services, Child Care, Autism, Medical Benefits and Nursing Support.
- While Delegated Aboriginal services are considered out of scope for the application of the budget reduction, other contracted community based services delivered by Aboriginal agencies (including delegated agencies) through contract with the ministry will be considered in scope.
- The budget reduction will primarily apply to community based intervention and early intervention services, also generally known as non-residential services, and will affect contracts and non-

residential services managed by Regions, Provincial Office, Provincial Services, and CLBC children's services.

- The reduction required for 10/11 fiscal year may involve some service reductions after all other opportunities for savings have been exhausted.
- The ministry will undertake consultation on an overall reduction strategy with the contracted social services sector through major umbrella organizations, including the Federation and the BCACDI.
- Separate but concurrent consultation with representatives of Aboriginal delegated agencies and BC Association of Aboriginal Friendship Centres will occur.
- This strategy will include consultations held between ministry regional staff and regional stakeholders. More detailed discussion on implementation at the community level will be held between local ministry management and community agencies.

RECOMMENDATIONS FOR REDUCTIONS

1. Funding services outside the Ministry Mandate
2. Uncommitted Funding Review
3. Discretionary funding
4. Contracts that have Repetitive Surpluses
5. Resolve any commitments that are greater than allocated budget
6. Reorganising contracts to provide efficiencies
7. Programs not Providing any Direct service

GUIDANCE

1. A communities vulnerability must be considered when planning reductions
2. Non Aboriginal Agencies First
3. Reductions to Agencies must not affect their financial Viability
4. Large contractors have the potential to manage some reductions through efficiencies

AGENCY RECOMMENDATIONS

- Contractor would like community input into plans/reductions – would like the local MCFD office staff identify what services works for them and what their needs are. (CSM located in another community)
- Develop a template for Contractors to identify their costs (fixed/variable etc.); services they provide, how they link, what they can do better and what they can potentially reduce

- Look at current budgets, service model and identify whether they are ways to reduce.
- Understand what the situation(s) are currently in each community – Begin with identifying contracts with unearned revenues – perhaps services are not being provided in communities
- Avoid impacting community based services (tier 2)
- Every Community is unique reductions should be discussed at the agency level and not be across the board cuts by program.
- A transparent, fair, timely collaborative process
- Accredited agencies are supported to remain sustainable
- Centralize MCFD contracted services, especially Early Childhood Development, forming a HUB for services. This HUB could follow the Neighbourhood House model for services, creating a “one-stop shop” for families seeking programming and services.