



# First Nations Child and Family Services Program The Way Forward

Presentation to Françoise Ducros, ADM, ESDPPS  
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## Purpose:

- To provide options and recommend next steps in the reform of the FNCFS Program which:
  - Sustain the momentum gained over the last five years of program reform
  - Incorporate lessons learned into future actions
  - Ensure program funding optimizes First Nation capacity to achieve better long-term outcomes for First Nation children and families on reserve
  - Aligns with ever changing provincial/territorial regimes

## Roles and Responsibilities of Key Players in CFS

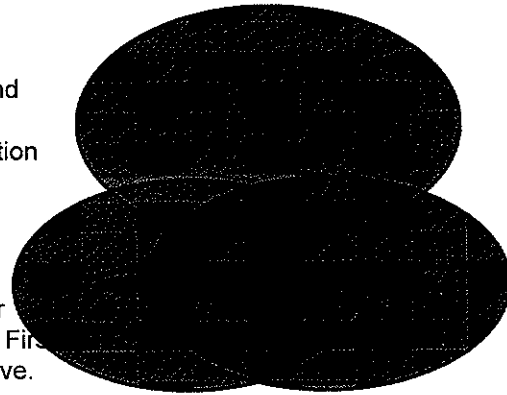


### Canada

- The Government of Canada's role is limited to providing funding to provinces, Yukon territory and provincially delegated services providers for culturally-appropriate service delivery to First Nation children and families on reserve.

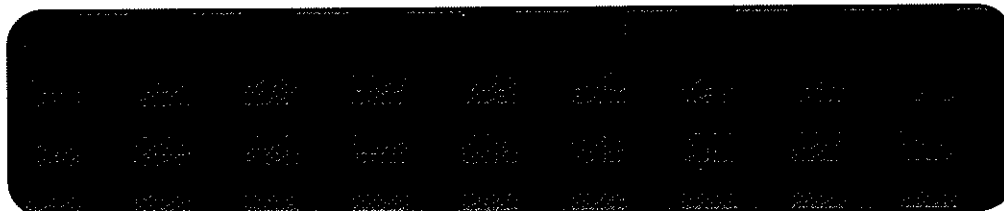
### Province/Territories

- The Provinces and Territories are responsible for service delivery to all other children, including all First Nation, Inuit and Métis children residing off reserve.



## Key Partnerships for FNCFS

Transition to a new approach involves a major shift and requires time to implement. Partnership and commitment from First Nations as well as the federal and provincial governments is critical.





## Government Priority

- Movement towards prevention programming remains a priority for AANDC and for the Government of Canada.
- In the June 3, 2011 Speech from the Throne, the Government of Canada committed to **“working together to support families and children”**.
- Budget 2009-2010 committed to funding FNCFS in Alberta, Nova Scotia and Saskatchewan **“to produce a more secure and stable family environment for children on reserve”**.
- The January 27, 2009, Canada Economic Action Plan committed funding over two years **“to extend partnerships with provinces to further improve child and family services on reserve”** which was used to implement EPFA in Quebec and PEI.
- Budget 2010-2011 committed to provide funding to implement the Enhanced Prevention Focused Approach in Manitoba.
- Budget 2012 outlines the progress that FNCFS has made in the area of **“strengthening partnerships with Aboriginal peoples”** in the past two years.

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## Drivers Behind Reform

### Parliamentary Committees

**FNCFS Program is highly scrutinized and often required to answer critical questions before various Standing Committees.**

February 2009 – Appearance before Standing Committee on Public Accounts

March 2009 – Standing Committee on Public Accounts issues Report

August 2009 – Government Response to March 2009 Report presented to the House

October 2009 – Appearance before the Standing Committee on Aboriginal Affairs and Northern Affairs on the Child Welfare Action Plan (status update on INAC's Action Plan to respond to the Office of the Auditor General)

November 2010 – Appearance before the Standing Committee on Aboriginal Affairs and Northern Development on CFS study

December – Appearance before the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities on Federal Support Measures for Adoptive Parents

February 2011 – Appearance before the Standing Committee on Status of Women on Missing and Murdered Aboriginal Women

Government's Response to additional questions from Standing Committee on Public Accounts signed off March 31, 2011

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Aboriginal Affairs and  
Northern Development Canada

Affaires autochtones et  
Développement du Nord Canada

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Aboriginal Affairs and  
Northern Development Canada

Affaires autochtones et  
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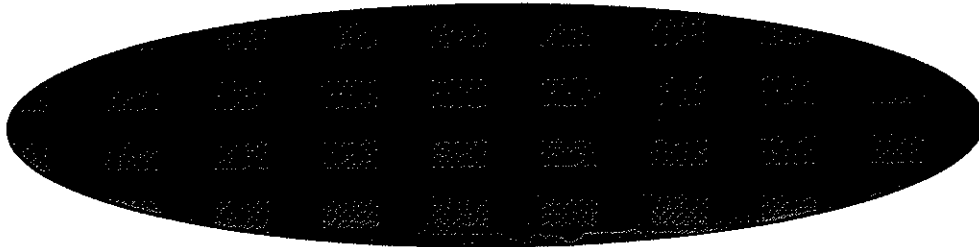
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## Drivers Behind Reform

### Child Advocate Provincial and Territorial Reports

- Consistently, Provincial/Territorial Child Advocate Reports make reference to having a *"significant over-representation of Aboriginal children and youth in the child welfare system"*.



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### **Role of AANDC's First Nations Child and Family Services Program (FNCFS)**

- The First Nations Child and Family Services Program provides funding to those **service providers who deliver culturally appropriate child and family services** to First nation children and families **on reserve**.
- AANDC provides funding to 105 First Nation agencies to deliver child and family services. In areas where First Nation Child and Family services agencies do not exist, AANDC funds services provided by provincial or Yukon Territory organizations or departments.

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## History of FNCFS

- In 2007, despite a near **doubling of the funding**, the number of First Nations children in care had **remained relatively stable** since the 1996.
- The reason for the growth in funding was that **maintenance costs per child had more than doubled since 1998-99**.
- The increase in costs has been driven by: increases in the rates charged by the provinces; an increase in costs for, and the number of special needs children in care; and greater reliance by agencies on institutional care.
- In order to improve outcomes for First Nations children and their families and to keep in step with a number of provinces shifting their own approaches to a greater emphasis on prevention, INAC introduced a new approach to funding First Nations Child and Family Services: **Enhanced Prevention Focused Approach (EPFA)**



## Funding History

**March 2007** - Budget 2007 included funding for investments in a new approach to funding First Nations Child and Family Services.

**April 2007** - INAC announced the first investment of \$98.1 million over five years, to implement a Tripartite Accountability Framework on a new Enhanced Prevention Focused Approach to Child and Family Services with Alberta and First Nations in that province.

**February 2008** - Budget 2008 provided an additional \$10 million over five years for Nova Scotia and \$105 million over five years for Saskatchewan to move to the new Enhanced Prevention Focused Approach.

**July 2008** - Funding and related Tripartite Accountability Frameworks are announced for Nova Scotia and Saskatchewan and respective First Nations in those provinces.

**January 2009** - Canada's Economic Action Plan included additional investments of \$60 million over five years in Quebec and \$1.7 million over five years in PEI to continue to move forward with implementing the new approach.

**August 2009** - Funding and related Tripartite Accountability Frameworks with Quebec and PEI were announced, expanding the reach of the new Enhanced Prevention Focused Approach to Child and Family Services to a total of five provinces, covering almost half (46%) of all First Nations children in Canada.

**March 2010** - Budget 2010 included a commitment of \$53 million over two years to continue to make further progress on implementing the Enhanced Prevention Focused Approach to Child and Family Services.

**July 2010** - A Tripartite Child and Family Services Framework is announced that will see \$177 million over five years to implement the new Enhanced Prevention Focused Approach to Child and Family Services in Manitoba. The addition of Manitoba means that the enhanced prevention model, covering a total of six provinces, now reaches about 68 per cent of First Nations children who live on reserve.

## Regional Overview of Expenditures vs Spendings (2006-07 to 2013-14)

(In Thousands of Dollars)

| AANDC First Nations Child and Family Services Expenditures by Region |         |           |           |           |           | Planned Spending |           |           |           |
|--|---------|-----------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|
| Region   |         | 2006/07   | 2007/08   | 2008/09   | 2009/10   | 2010/2011        | 2011/2012 | 2012/2013 | 2013/2014 |
| BC   | A Based | 37,688.2  | 49,782.4  | 52,095.1  | 50,353.6  | 52,543.5         | 52,543.5  | 52,543.5  | 52,543.5  |
|  | EPFA    | 0.0       | 0.0       | 0.0       | 0.0       | 0.0              | 0.0       | 0.0       | 0.0       |
| AB   | A Based | 107,786.9 | 105,437.9 | 105,213.6 | 96,747.1  | 103,313.6        | 103,313.5 | 103,313.6 | 103,313.6 |
|  | EPFA    | 0.0       | 15,390.0  | 18,703.0  | 21,700.0  | 21,700.0         | 20,700.0  | 20,700.0  | 20,700.0  |
| SK   | A Based | 54,614.5  | 55,724.6  | 51,838.8  | 56,570.8  | 60,961.2         | 60,961.2  | 60,961.2  | 60,961.2  |
|  | EPFA    | 0.0       | 0.0       | 19,193.6  | 20,000.0  | 21,000.0         | 21,900.0  | 22,800.0  | 22,800.0  |
| MB   | A Based | 72,818.7  | 78,384.3  | 85,244.5  | 95,568.1  | 85,435.6         | 85,435.6  | 85,435.6  | 85,435.6  |
|  | EPFA    | 0.0       | 0.0       | 0.0       | 0.0       | 17,630.0         | 35,000.0  | 40,800.0  | 41,700.0  |
| ON   | A Based | 104,087.2 | 102,966.4 | 104,338.2 | 114,351.7 | 115,246.0        | 116,246.0 | 116,246.0 | 116,246.0 |
|  | EPFA    | 0.0       | 0.0       | 0.0       | 0.0       | 0.0              | 0.0       | 0.0       | 0.0       |
| QC   | A Based | 38,283.0  | 45,913.2  | 45,796.7  | 49,291.6  | 49,215.2         | 49,215.2  | 49,215.2  | 49,215.2  |
|  | EPFA    | 0.0       | 0.0       | 0.0       | 6,100.0   | 11,400.0         | 13,700.0  | 14,100.0  | 14,500.0  |
| AT   | A Based | 25,933.5  | 28,116.5  | 29,953.8  | 27,536.0  | 28,935.5         | 28,935.5  | 28,935.5  | 28,935.5  |
|  | EPFA**  | 0.0       | 0.0       | 1,981.6   | 2,200.0   | 2,300.0          | 2,300.0   | 2,300.0   | 2,300.0   |
| YK   | A Based | 8,283.4   | 8,283.6   | 8,866.9   | 8,819.1   | 8,400.0          | 8,400.0   | 8,400.0   | 8,400.0   |
|  | EPFA    | 0.0       | 0.0       | 0.0       | 0.0       | 0.0              | 0.0       | 0.0       | 0.0       |
| All Regions  | A Based | 449,495.3 | 474,590.9 | 483,367.5 | 499,638.4 | 506,050.5        | 506,050.5 | 506,050.5 | 506,050.5 |
|  | EPFA    | 0.0       | 15,390.0  | 39,703.0  | 50,000.0  | 74,000.0         | 93,600.0  | 100,500.0 | 102,000.0 |
| Total FNCFS  |         | 449,495.3 | 489,980.9 | 523,070.5 | 549,638.4 | 579,050.5        | 598,650.5 | 606,550.5 | 607,050.5 |

\* Please note that these are contribution dollars only that go to direct service delivery for First Nations on reserve.

\*\*These figures are for Nova Scotia and Prince Edward Island.

A-Based = Existing Funding prior to EPFA

EPFA = Enhanced Prevention Focused Approach

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| Region       | Number of First Nations Children in Care* | Operations and Development Expenditures | Maintenance Expenditures | Enhanced Prevention | Children Potentially Served by Prevention | TOTAL Expenditures |
|--------------|---|---|--------------------------|---------------------|---|--------------------|
| Atlantic     | 537                                       | 9,991.1                                 | 18,147.0                 | 2,000.0             | 8,063                                     | 30,138.1           |
| QC           | 685                                       | 19,149.2**                              | 36,242.4                 |                     | 12,227                                    | 55,391.6           |
| Ontario (1)  | 1502                                      | 54,713.5                                | 59,638.2                 |                     | 29,013                                    | 114,351.7          |
| Manitoba     | 2,517                                     | 33,401.4                                | 62,159.0                 |                     | 36,268                                    | 95,560.4           |
| Saskatchewan | 1,207                                     | 30,699.3                                | 33,999.3                 | 11,880.8            | 28,743                                    | 76,570.8           |
| Alberta (2)  | 1,480                                     | 34,265.7                                | 72,712.2                 | 11,469.3            | 28,541                                    | 118,447.2          |
| BC (3)       | 659                                       | 25,435.2                                | 24,918.4                 |                     | 18,646                                    | 50,353.6           |
| Yukon        | 95  | 2,884.0                                 | 5,935.1                  |                     | 2,136                                     | 8,819.1            |
| TOTAL        | 8,682                                     | 210,545.4                               | 313,743.0                | 25,350.1            | 163,637                                   | 549,638.5          |

\*Children in Care Data based on regional reporting on March 31, 2008. As the information contained in this chart is from 2008-2009, it does not reflect all provinces that are now under EPFA.  
 Source: Department of Indian Affairs and Northern Development, departmental data  
 \*\* Prevention dollars were flowed through operations to support FNCFS agency capacity to develop Business Plans.

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## EPFA: Comprehensive reform of FNCFS

- Roll-out began in 2007 with Alberta;
- Six provinces now on board (Alberta, Nova Scotia, Saskatchewan, Quebec, Prince Edward Island, Manitoba), new funding model reaching 68% of First Nations children and families on reserve;
- Design, transition and implementation occurring on a tripartite basis;

### Enhanced Prevention - Keeping families together:

- Greater flexibility in funding to allow service providers to target funding where it is needed;
- More emphasis on prevention activities and culturally-appropriate services;
- Designed to help address issue of over-representation, and to contain increasing costs associated with taking children into care, over the long term.

### Strengthened Accountability:

- Increased clarity regarding roles and responsibilities;
- Results-based accountability and increased compliance:
  - Tripartite partnerships for EPFA;
  - A risk-based approach to financial/program audits and reviews; and
  - Improved information management.

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## Tripartite Accountability Framework

- The Enhanced Prevention Focused Approach is developed through tripartite discussions that include First Nation representatives and Provincial and AANDC officials. These tripartite discussions are held to develop a Tripartite Accountability Framework and a costing model.
- The Tripartite Accountability Framework outlines the respective roles and responsibilities of each party; goals to be achieved, and the accountability mechanisms, including the development of five year business plans.
- The costing model provides a detailed breakdown of elements and variables used to determine funding that will flow to each Agency to deliver child and family services as outlined in the business plans in order to achieve their goals and improve outcomes for children and families within their communities. These funding models are developed collaboratively with First Nations and Provincial officials and reflect federal funding commitments that are reasonably comparable to provincial funding.

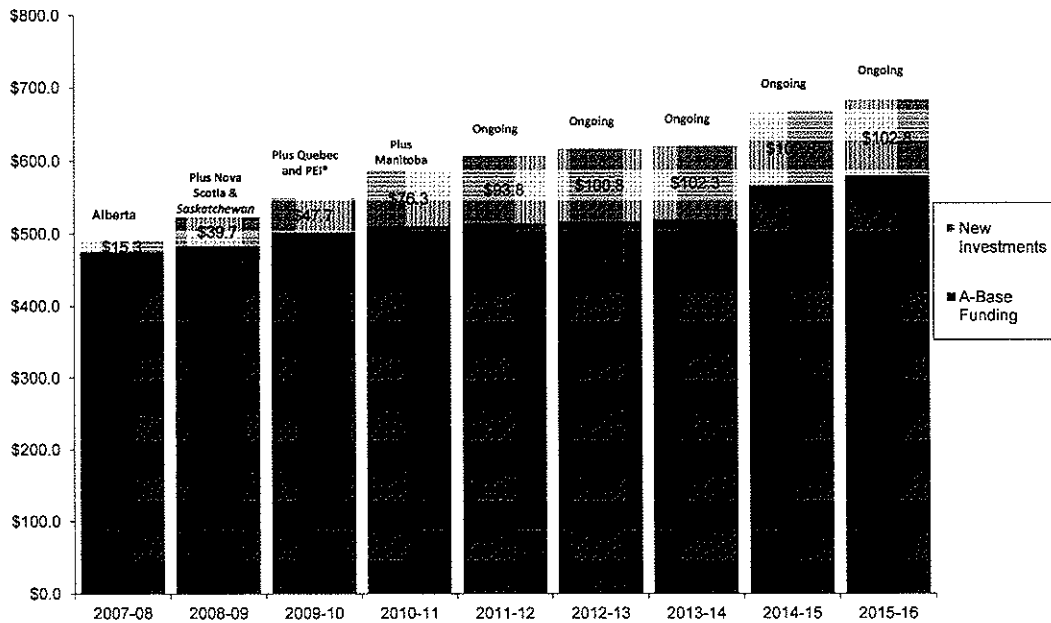
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## Investments and Projected Investments (2007-08 to 2015-16)



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## RELEVANCE OF EPFA

- Clear ongoing need for prevention services on reserve
- Aboriginal population is young and growing; there is an over-representation of Aboriginal children in care; and a higher number of young adults are becoming parents
- Legislatively, most jurisdictions are moving toward a prevention approach; however, in practice, protection is still the dominant response
- FNCFS program expenditures had risen dramatically over the 10 years preceding EPFA due largely to rising maintenance costs
- The underlying factors related to child maltreatment and neglect still persist in many First Nations communities, such as: poverty, substandard and overcrowded housing, family violence, mental health issues (often related to Residential School effects) and substance abuse.
- Although the child welfare system alone cannot address all these issues, enhanced prevention activities can and do make a difference. Increased focus on prevention activities will likely have a more significant impact in this context.
- The 2003 Canadian Incidence Study on Child Abuse found that "neglect is the most common form of child maltreatment for Aboriginal children who are reported to child protection agencies".
- First Nations child welfare needs differ from those in the mainstream; some of the major differences include high youth suicide rates; infants born addicted to drugs; remote, isolated locations; transportation costs/needs; lack of foster placement opportunities; and a shortage of secondary supportive services on-reserve. EPFA can help to address some of these issues through increased funding and a focus on culturally-appropriate services.
- This new approach is evidence-based and designed to lead to improved outcomes, however, it will take many years to be able to fully and fairly assess its impact.

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## Key Findings from Audits and Evaluations (between 2008 and 2012)

- Need for Enhanced Prevention in Child and Family Services
- Review EPFA formula
- Sustain capacity in FNCFS agencies
- Change takes time

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## The Way Forward on FNCFS

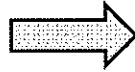
### *Where we are:*

- Taking children into care and some work with families in the home.
- Initial investments in EPFA in 6 jurisdictions but not necessarily addressing all aspects of child welfare.
- Developing some capacity in prevention in communities.



### *Where we need to go:*

- Taking children in care for critical cases but more work with the families in the home.
- EPFA in all jurisdictions and fully costed, supporting all aspects of CFS including intake, early intervention and allowing for developmental phase.
- All communities having capacity in prevention.



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## EPFA: Early Results

- Number of children in care increasing as awareness of need to report cases rises (children getting support needed to ensure safety)
- Increase in kinship care
- Intervening with families earlier
- Working more closely with provinces
- Promising prevention practices emerging
- Some examples of promising prevention practices:
  - Family group conferencing, Healing Circles, cultural camps; case conferencing, culturally-appropriate parenting workshops, after school programming, holistic community approaches and wrap-around processes.

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## Challenges to achieving some of the anticipated results for FNCFS

### Socio-economic context

- Global downturn in economy
- Socio-economic situation in many communities on reserve not improving
- Socio-economic picture/statistics, including educational outcomes, median/family incomes, employment rates, etc. **[to insert stats from recent PMStrat-related work]**
- Continued need for improved infrastructure such as housing, water, etc.
- Justice-related statistics: youth justice/gang violence, police-reported crime, domestic violence, etc.
- Health statistics: overall health indicators, rates of substance abuse, FASD, etc.

**NOTE:** *The child welfare system alone cannot address the many factors that contribute to problems that become manifested in the child welfare system. Increases in numbers of children in care and increases in number of children in care with complex needs does not necessarily indicate failure of the child welfare system; sometimes it is quite the opposite. Placing children in care, although a last resort option, ensures their safety. A rise in the number of children in care with complex needs is outside the control of the child welfare system, and may indicate increased awareness by service providers.*

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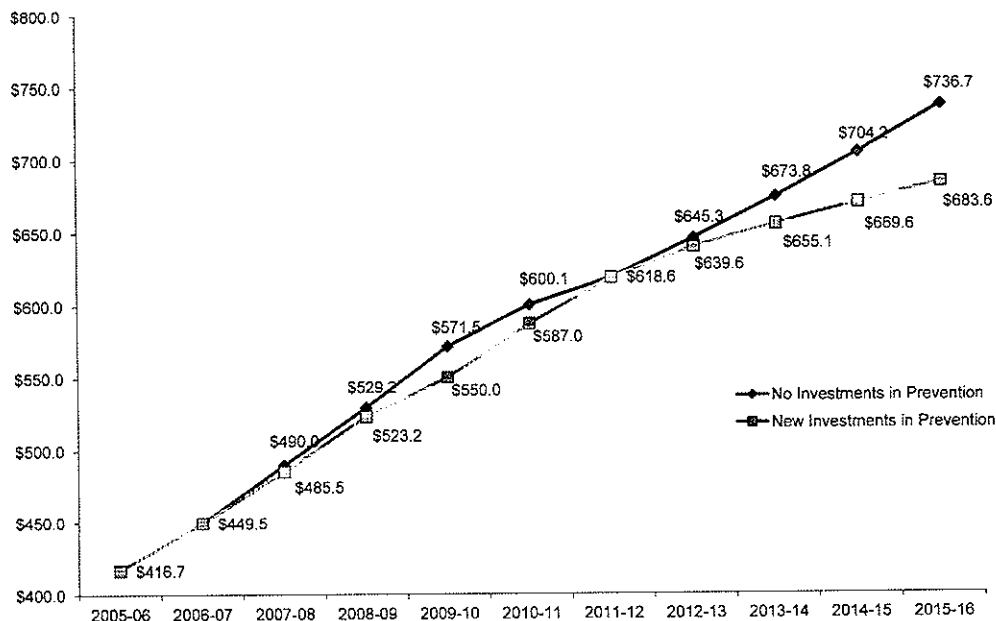
# Challenges to achieving some of the anticipated results for FNCFS

## Program-level

- No federal legislative base – child welfare is provincially/territorially legislated – federal funding program working within eleven different legislative frameworks.
- In some regions, although there has been a reduction in the number of children in care placed in high cost care types, like institutional care, the care cost per child has dramatically increased as to offset any anticipated savings.
- Constant evolution of child welfare practices and policy at the provincial/territorial level (sometimes reactive) vs. established federal authorities.
- Disconnect between FNCFS service providers and those of community leadership: CFS sometimes regarded as an economic development opportunity.
- Varying funding mechanisms (EPFA, Directive 20-1, federal-provincial funding agreements in place in certain jurisdictions).
- Limited cost containment in Alberta Reform Agreement and Ontario 1965 Agreement
- Lack of capacity and availability/integration of services at the community level
- Finding right balance between funding based largely on 0-18 population and assumed caseload ratios (guarantees more financial stability over long-term) vs. historical trends/actual caseloads (provides greater adaptability/flexibility for short-term or long-term community challenges)
- Number of children in care with complex needs on the rise
- First Nation support for the Information Management System (IMS) uncertain
- Although FNCFS costs continue to rise, the growth in expenditures is less dramatic than it would be without the additional investments in front-end prevention activities.



## Comparison of CFS Expenditures With and Without New Investments



## Cost Driver Study/Trends

- Privatization of care options
- Increase of cost for institutionalized care
- Increase of provincial salaries for child welfare workers
- ***[insert further analysis on cost drivers]***

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## Significant Financial Pressures / Risks

### • Alberta

- Costing pressure estimated at \$ ***[to receive info from AB]***
- Need to adjust Social Workers' salaries to reflect provincial increases
- Need to factor in remoteness/travel in next costing model
- High CIC % issue – ensure funding is available to meet the temporary needs of communities with exceptionally high rates of children in care
- Need to adjust how maintenance is calculated under EPFA (should be based on average costs over period of 3 years instead of just looking at one year) in order to provide increased funding stability
- 2012-2013 represents the 6<sup>th</sup> year under EPFA

### • Saskatchewan

- Costing pressure estimated at \$3.5 million per year as of 2013-2014 as the Province is going to increase wages for Social Workers effective 2013-2014
- 2012-2013 represents the 5<sup>th</sup> year under EPFA

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## Significant Financial Pressures / Risks (continued)

### • Quebec

- Costing pressure estimated at \$2,425,200 per year as of 2011-2012
- Unionization of foster families further to the introduction of Bill 49 in 2009 – this represents a significant increase in rates for foster care - unanticipated at the time EPFA costing model was developed

### • Nova Scotia

- New provincial government – collective bargaining led to significant salary increases to Social Workers – unanticipated at the time EPFA costing model was developed
- Certain service streams are not factored under EPFA due lack of clarity at tripartite tables on costing model
- Flexibility provided under EPFA has limitations in one-agency jurisdiction

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## Significant Financial Pressures / Risks (continued)

### • PEI

- Flexibility provided under EPFA has limitations in one-agency jurisdiction
- Problem compounded when population served is very small (small change in number of children in care can skew costs and percentage change dramatically – maintenance funding based on previous year's actual costs under EPFA – creates risk of financial pressure if small increase in CIC)

### • Management of National Pressures

- Becoming more challenging as initial investments in EPFA jurisdictions being overtaken by increases in costs and numbers of children in care
- May result in having to depend on Capital Funds to address funding pressures in FNCFS

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