

MORE CRISES, LESS RESOURCES

The Impact of Cuts to Community Agencies

Summary of Research Findings

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produced by

Captain William Spry Community Centre
Metro Community Services Network
Nova Scotia Association of Social Workers

EXECUTIVE SUMMARY

The systematic cuts to community-based agencies have taxed to the limit their ability to provide compassionate social services to an increasing number of individuals and families in crisis. Staff of agencies have borne the brunt of the cutbacks through increased workloads and decreased incomes. With so many agencies cutting or cutting back programs and services as a last resort, support for the most vulnerable in our communities is dwindling rapidly.

Community-based agencies are not-for-profit services which are usually managed by volunteer Boards of Directors. Frequently volunteers work with staff at community agencies to provide programs and services to clients. Agencies provide services ranging from family crisis services, food programs for low-income seniors and children from low-income families, to employment assistance and training.

The findings of the research into the impact of cuts to community agencies identifies:

- . the enormous community support for and volunteer time committed to community-based social service agencies. Three agencies with a total of 24.5 staff have 110 ten volunteers among them.
- . in the six year period from 1990-96 fourteen agencies reported 39 separate funding cuts from federal, provincial, municipal governments and/or the United Way. The cuts range from a 50% reduction over 6 years, to cuts ranging from 1/2% to 26.5% cut in one year.
- . at the same time that agencies are getting funding cuts, demand for services is increasing dramatically and people needing services are in more immediate crisis situations. "Crises are worse for families; more families are in crisis."
- . the latest 3% cut, retroactive to April 1, to almost 200 community agencies receiving grants from the Department of Community Services has come on top of years of restraint and cutbacks. Staff are working harder with increased workloads while positions will be cut, hours will be cut, and staff will still not get a salary increase. "There is no room for [any more] cuts." Programs and services will again be cut back and there will be yet longer waiting lists. Some agencies will have to reduce office hours or close for one day a week.
- . on April 1, 1997 some agencies may have their grants reduced or eliminated.

INTRODUCTION

Background to the Research

On October 4, 1996 the Minister of Community Services, the Honourable John MacEachern, announced a three percent (3%) cut to almost 200 community agencies receiving grants from the Department of Community Services. This cut was retroactive to April 1, 1996. More than six months into the fiscal year, this retroactive reduction in funding to community-based services has caused a crisis for many services which are struggling financially to meet increased needs with decreased resources.

Further uncertainty in funding stability for community-based services was revealed by the Minister in letters to community agencies on November 12, 1996 indicating some agencies would not be funded by Community Services. A two stage review of all agencies receiving grants or other funding will be undertaken. The first stage of the review will be completed within the 1996/97 fiscal year and will determine which agencies will continue on to the second stage. "The second stage of the review will be the negotiation of service contracts with those agencies that continue to receive financial support."ⁱ

At the Press Conference on October 4, 1996, Mr. MacEachern noted that the Review would be completed by the end of 1996 so that agencies will be notified well in advance of April 1, 1997 whose funding would be reduced or eliminated. Application forms for continued funding for the first stage of the review are due on December 12, 1996.

These *New Directions for Community Services* (News Release headline, October 4, 1996)ⁱⁱ produced anxiety among community agencies providing basic social services on how to accommodate a retroactive funding cut and fear for their future ability to provide services to those in need.

Purpose of the Research

To understand the impact of the cuts to community-based social services, the Captain William Spry Community Centre, the Metro Community Services Network and the Nova Scotia Association of Social Workers worked together to survey community agencies. The survey was intended to portray an overall picture of the current state of community services and the impact of the cuts on programs and clients. The cumulative effect from cut backs from other funding sources over the past years was also studied.

The survey was intended to present a unified voice on the impact of the cuts since individual agencies are extremely vulnerable in speaking out on their own.

Research Sponsors

The Captain William Spry Community Centre is located in Halifax with a mandate to cultivate a community driven multi-service system that, among other things, facilitates partnerships throughout our community. The Metro Community Services Network has brought together over 50 community agencies in the metro area to discuss policy changes that may impact community-based services. The Nova Scotia Association of Social Workers is the professional association for social workers in the province. The three co-sponsoring organizations gathering the information receive no grants from the Department of Community Services.

Research Method

To survey the impact of the cuts, a four-page questionnaire was developed for community agencies to describe their programs and services, volunteer support, current and past funding cuts, and the impact of those cuts on the organization, the programs and the clients.

Since the sponsoring organizations were not able to get a list from the Department of Community Services of the almost 200 agencies receiving grants or funding, a questionnaire was sent to a sample of organizations listed in the grants section of the 1994-95 N. S. Department of Community Services Annual Report.

The findings represent an analysis of the responses to the questionnaire from sixteen agencies from different

parts of Nova Scotia providing a wide range of services.

RESEARCH FINDINGS

Community Based Agencies: Who are they and what do they do?

Community-based agencies are not-for-profit services which are usually managed by volunteer Boards of Directors. Frequently volunteers work with staff at community agencies to provide programs and services to clients. Agencies in this research provided services to

- < children from low-income families
- < parents & their children including single parent families
- < people with physical, social or mental challenges
- < women
- < seniors
- < children and youth
- < families at risk
- < disadvantaged people
- < adult social assistance recipients with special needs

Many people using community services are in crisis situations or are marginalized and need supports to participate equally in our society.

Programs and services provided by these agencies include:

- X family crisis services
- X pre-vocational training; lifeskills
- X skills for children and youth
- X food programs for low-income seniors and children from low-income families
- X walk-in crisis centre
- X academic upgrading
- X long term residence
- X social and educational programs for children
- X supervised independent living program
- X work experience
- X counselling and advocacy
- X programs and support for mental health consumers
- X information and referral
- X employment assistance for social assistance recipients
- X programs on self esteem; support groups; money management
- X health information, services and programs
- X support for low-income pregnant women
- X job training
- X parenting programs
- X support and education for families at risk

This is a very general listing of services to protect the anonymity of agencies participating in the study.

Community Participation in Community Agencies

To get a picture of the community participation in community agencies, agencies were asked to quantify the number of paid staff and the number of volunteers. The findings underscore the enormous community support for and volunteer time committed to community-based social service agencies.

One agency with one and a half staff persons has fifteen volunteers to help with programs and services. Three agencies with a total of 24.5 staff have 110 ten volunteers among them. Some agencies represented the staff/volunteer ratio in terms of hours. Ten agencies had a total of 3,535.5 staff hours per week with

corresponding volunteer support of 1,735 hours per week. This represents 49% of the total staff complement of the ten agencies.

In addition, volunteers are involved in the administration of community agencies through their volunteer Board of Directors.

Funding Cuts since 1990

Agencies were asked to document funding cuts to their programs and services since 1990. All but two agencies reporting had at least one cut to funding, some agencies had a number of cuts over the past eight years.

Fourteen agencies had a total of 39 separate funding cuts from federal, provincial, municipal governments and/or the United Way. The cuts range from a 50% reduction over 6 years, to cuts ranging from 1/2% to 26.5% cut in one year. Frequently agencies had several cuts from different sources in one year. One agency, for example, had 8 cuts to funding in three years for a cumulative total of 21%. See Appendix A for a complete list of cuts.

The list of funding cuts from all levels of government and the private sector suggests a steady erosion of support for community based-services.

Impact of Cutbacks Since 1990 (not including current 3% cut)

Agencies have used a combination of methods to cope with decreased funding. Programs and services were the last to be affected after agencies cut hours, cut positions, and increased job responsibilities for staff. Spending more time on fundraising was cited by a number of agencies. Four agencies cited increases to their deficit. After all the administration cuts, agencies have had to reduce or cut programs, see fewer clients which has resulted in increased waiting lists. In two cases fees for programs were increased.

Since 1990 there has been a marked increase in requests for services. Agencies report:

- X "more immediate crisis situations"
- X "30% increase in demand for services"
- X "increased number of women in crisis"
- X "clients have greater hardship due to other cuts in services."

Cuts to other agencies, services and/or institutions have increased service demands on agencies:

- X "crises are worse for families; more families are in crisis"
- X "increase in referrals from doctors, mental health clinic, etc."
- X "advocacy takes longer"
- X "parents are finding it harder to cope."

See Appendix B for a detailed summary of responses to the impact of cutbacks on agencies.

Current 3% Cut

Strategies to incorporate the retroactive cut mirrored the financial juggling over the past six years. Staff are working harder with increased workloads while positions will be cut, hours will be cut, and staff will still not get a salary increase. Staff burn out is a major problem because of the increased pressure and responsibilities that have accumulated over the recent years. Programs and services will again be cut back and there will be yet longer waiting lists. Since this cut comes on top of years of restraint and cutbacks while demand for services has increased, agencies have no more room to maneuver. Some agencies will have to reduce office hours or close for one day a week. "There is no room for [any more] cuts."

Although one agency cited increasing fundraising activities, for most fundraising was not even identified this time as a realistic alternative. Fundraising for many agencies had started with the first round of cuts from 1990-96. With fewer resources to undertake fundraising and a saturated donor market, expecting the private sector to increasingly take over the funding of community services is untenable.

“The full impact of the cuts has not yet been fully assessed since some programs are still being reviewed. The major effect has been the increased workload and stress on staff who are struggling to keep programs going while more work time has to be spent on funding and financial issues.”

Observed changes to other agencies in the past 6 years

Agencies were asked to comment on any changes they have seen in other agencies to whom they refer people for services or programs. Programs are cut, cut back or there is a cost for services were noted as changes since 1990. The longer waiting time to receive service was cited by 80% of the agencies. Here are some of the observations:

- < “families are in greater stress”
- < “emergency services are not in place”
- < “decreased ability for clients to advocate for themselves - no one believes them or will listen (e.g. requests for food from Food Banks need an agency to verify ‘need’)”
- < “stress level of other agencies.”

SUMMARY

With more cutbacks coming, what will happen to those families in crisis? Those living in abusive situations? Youth who cannot get jobs? Seniors living in poverty? Mentally, physically and socially challenged people? Hungry children?

What kind of society do we want?

END NOTES

ⁱⁱ Letter to community agencies dated November 12, 1996 from John MacEachern, Minister of Community Services.

ⁱⁱ News Release, Nova Scotia Community Services, October 4, 1996.

APPENDIX A

FUNDING CUTS SINCE 1990

Detailed listing of funding cuts reported by agencies.

<u>Year</u>	<u>Funding Source</u>	<u>\$ Amount</u>	<u>%</u>
1988-96	Federal Government		40% cut
1990-96	Federal Government		50% cut
1990-96	Federal Government		40% cut
1992	Tax Concession Grant	\$3,000 cut	
1992	Municipal/Provincial grant		10% cut
1992-93	City of Dartmouth		1.3% cut
1992-93	Province of N. S.		1% cut
1993-94	Province of N. S.		6% cut
1993-94	Province of N. S.		2% cut
1993-94	United Way		3.8% cut
1993-94	Federal Government		2.8% cut
1993-94	Volunteer Initiatives	\$1,503 cut	
1993-94	Tax Concession Grant		4% cut
1994-95	United Way		2.9% cut
1994-95	United Way		2% cut
1994-95	United Way		3% cut
1994	United Way		5% cut
1994	City of Halifax - Tax Concession	\$3,600 cut	
1994	CAP funding		1/2 % cut
1994-95	CAP funding		5% cut
1994-95	CAP funding		2% cut
1994-95	CAP funding		5% cut
1994-95	Volunteer Initiatives		1% cut
1994-95	Tax Concession Grant		.8 cut
1994-95	Department of Community Services		1.5% cut
1994-95	Department of Community Services		1.7% cut
1994-95	Province of Nova Scotia		26.5% cut
1995	Foundation grant		1.5% cut
1995	Enhancement Grant		1% cut
1995	CAP funding		2% cut
1995-96	CAP funding		1% cut
1995-96	Tax Concession Grant		5% cut
1995-96	United Way		5% cut
1995-96	United Way		4% cut
1995-96	Province of Nova Scotia		1.7% cut
1995-96	Federal Government		2.7% cut
1996-97	Department of Community Services		2.9% cut
1996	United Way		3% cut
1996	Employment Project		7.5% cut

APPENDIX B

IMPACT OF CUTBACKS SINCE 1990 (not including current 3% cut)

Summary of responses from 16 agencies.

Staffing:

lay-offs: 5 1/2 staff total
no increase in salaries 8 agencies
reduction in salaries: 4 agencies
reduction in paid hours 6 agencies
increased job responsibilities (workloads): 9 agencies
other: - eliminated staff pension plan
- high staff turnover
- job sharing
- fundraising added to existing workload
- 2 staff no longer claim for mileage
- Christmas bonus eliminated
- relying on volunteers to carry responsibilities
- fundraising started
- increased caseload per staff

Administration: - decrease maintenance and office & cleaning supplies
- less time for program development
- reduction in staff
- increased time required for networking, public relations, etc.
- higher fundraising objective

Increase in deficit: - 2 agencies
- increase in property tax liability
- \$50,000/yr. Because of increased numbers in clients

Programs/Services:

diminished in scope: 5 agencies
programs cut: 4 agencies
increased waiting lists: 9 agencies
not taking new clients: 2 agencies
seeing fewer clients: 2 agencies
increase in fees: 2 agencies
other: - increase in number of clients
- cuts in allowance paid to clients
- increased referrals from health & other social services
- longer wait times for admission to program

Have demands on your agency increased since 1990, either through numbers or needs?

- 30% increase in demand for services
- stats doubled for service to clients since 1993

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- more immediate crisis situations
 - clients have greater hardships due to other cuts in services
 - client level of difficulties have increased in size/level as well as intensity
 - increased number of women in crisis
 - yes, we are the only youth services agency in our community
 - more personal bankruptcies
 - demands on agency services have increased 12% overall since 1990.
 - numbers of homeless youth steadily increasing due to family stress, economy, family breakdown

Have cuts to other agencies, services and/or institutions increased your service demands?

- increase in referrals from doctors, mental health clinic, etc.
- advocacy takes longer
- crises are worse for families/more families in crisis
- parents finding it harder to cope
- increase need for advocacy
- higher # of referrals from Correctional Services & mental health service areas
- elimination of infoline increased number of phone calls for information
- cuts to Home Care increased requests for services
- job programs cut
- less to offer youth
- more difficulty in advocating for social assistance