

First Nations Housing & Infrastructure Service Transfer

June, 2021







Purpose

To prompt dialogue, visioning and /or planning with First Nation partners on what housing and infrastructure Service Delivery Transfer is, or can be, as a tailored approach region by region

- AND -

To provide some background on our mandate and describe work that is currently underway with First Nation representative partners in various regions

Policy Drivers - RECONCILIATION

- To partner effectively, we adopt the following imperatives:
 - Relationship renewal requires us to modernize our structures to support a full and equal partnership with First Nations
 - > We will break away from policies, programs and delivery structures that have not been working and collaborate on approaches that meet the needs of First Nation partners
- Declaration on the Rights of Indigenous Peoples, Article 23:
 - Indigenous peoples have the right to determine and develop priorities and strategies for exercising their right to development. In particular, indigenous peoples have the right to be actively involved in developing and determining health, housing and other economic and social programmes affecting them and, as far as possible, to administer such programmes through their own institutions.
- *ISC Act* we have a legislated mandate to work on "the gradual transferof departmental responsibilities to Indigenous organizations" [including housing and infrastructure]

The Case for Transfer

- Evidence shows that Indigenous self-determination, regaining control over the management of matters that directly affect communities, results in more positive social and economic outcomes
- In addition to financial investments, Canada is focused on a transformative, holistic and community-based approach to service improvements that supports Indigenous communities and organizations to exercise full control in the design, delivery and management of services
- This means moving beyond federally designed programs and services to:
 - > Predictable, sufficient and long-term funding for communities
 - > Tailored approaches that address community needs
 - Indigenous-led services supported by Indigenous institutions and governments
 - > Increased access to culturally appropriate programs and services
 - > Systemic change to support Indigenous children remaining in their communities to stay connected to their language and culture (to do this, adequate housing and infrastructure is critical)

Program Challenges

- Historical short-term influxes of investment: no long-term comprehensive approach for infrastructure investments prohibits proper community planning
- Chronic O&M underfunding: leads to shorter lifecycle and quicker "rust-out" of assets
- <u>Limited community governance funding:</u> no dedicated housing & infrastructure management
- <u>Dated formulas:</u> O&M formulas that undervalue price & population (although new data is available)
- <u>Limited new capital expenditures:</u> due to oversubscribed budgets; and, policies and funding authorities do not allow for innovative financing
- <u>Unsustainable</u>, <u>unpredictable and inflexible</u> <u>funding</u>: impacts long-term planning and effective community asset management
- Competing priorities: infrastructure projects are delayed due to in-year pressures in other programs
- No O&M escalator: no increases for population growth, cost of living, increasing costs for goods, services and transportation

Transfer Outcomes

- <u>Innovation</u>: continued exploration and adoption of innovative approaches is vital (e.g. monetization of government funding, providing economic opportunities for Indigenous business)
- <u>Predictable and sustainable funding</u>: longer-term transfers will help alleviate a number of existing program challenges
- <u>Asset Management Plans:</u> will allow long-term community development planning
- <u>Co-developed transfer agreements</u>: funding amounts for transfer will be evidence-based and jointly determined between ISC and First Nation partner organizations
- <u>Self-determined institutions</u>: no expectations that institutions will adopt existing ISC policies – all program policies and program governance will be self-determined
- <u>Investment priorities</u>: will be self-determined by First Nations
- In the interim: the Infrastructure Plan will continue to bridge infrastructure gaps and will support program transfer to First Nations organizations



Underlying Principles of Transfer

- <u>Collaboration:</u> to advance self-governance/self-determination based on First Nations' lead and aspirations
- **Shift of Control**: over housing and infrastructure programming from ISC to First Nation organizations/institutions
- Renewal: of our relationship to one of partnership
- Modernization: of government-wide policies to support First Nations' control over their own business
- Shifting accountability: First Nations organizations/institutions accountable to First Nation citizens & communities (as opposed to government)

What is being transferred?

- The *Indigenous Services Act, 2019* mandates that ISC transfer services to Indigenous Institutions
- Under the existing ISC program, housing and Infrastructure includes:
 - · housing and related infrastructure
 - water and wastewater systems
 - education facilities
 - health facilities
 - lot servicing
 - · connectivity
 - roads/bridges
 - solid waste
 - fire safety
 - cultural facilities

ISC services subject to transfer per the *Indigenous Services Act, 2019*

- o child and family services
- education
- o health
- social development
- o economic development
- housing
- o infrastructure
- o emergency management
- o governance; and
- any other matter designated by order of the Governor in Council.

Vision for the Transfer Process

Engagement and Proof of Concept

- Engagement and Data Gathering
- Scope of Services and Service Delivery Model (Concept)
- Basic outline and requirements for ratification

Negotiations / Institution Building

- Establish interim Operations
- Establish Levels of Service Standards
- Determine core costs
- Determine funding sufficiency for assets and services
- Finalize Business Cases
- Describe residual role of government

Implementation

- Terms of Transfer and funding
- Agreement review/renewal process
- Evaluation approach
- Relationship with Canada
- Access to new funding

Outcome:



Framework Agreement



Agreement-in-Principle (AiP) or draft Service Delivery Transfer Agreement



Final Transfer Agreement



Off-ramping

- First Nations Organizations pursue transfer on a voluntary basis, predicated on demonstrated support from communities
- There are circumstances under which a First Nation organization may wish to pause or end the "transfer" relationship with Canada
 - For example, if First Nation leadership is no longer interested in pursuing service transfer with the mandated organization or needs to pause the approach to seek direction from communities regarding the path forward
- There are also circumstances under which the Government of Canada may determine it is no longer feasible to continue the "transfer" relationship with a First Nation Organization
 - For example, if Canada receives written communication from relevant First Nations leadership that they oppose or withdraw their support for the mandate or proposed approach or should there be significant non-fulfillment of the Terms and Conditions of the Contribution Agreement
- Correspondence to end the transfer relationship would be communicated in writing by either parties and identify the reason for the decision to stop pursing the proposed approach



Work to date and going forward

- ISC is working with representative First Nation organizations that have received a mandate from leadership, in 6 regions
- Partner organizations are funded to conduct their internal engagements that will inform their way forward, including the scope of what they wish to take over, business and accountability models, etc.
- ISC recognizes that the timelines to complete the work will vary region by region no prescribed timelines; this effort is First Nation partner paced
- Not a "cookie cutter" exercise: diverse needs and aspirations are going to be reflected in the shape that First Nations' control takes region by region

Who have we partnered with

- B17 Funding \$15M over 3 Years has been used to initiate co-developed transfer initiatives work with eleven First Nation Organizations
- B17 Funding \$38.8M over 5 years has been approved to build on previous investments and continue to engage and develop service models as proof-of-concept work

Initiative Started	Initiative	Proposed Model	Status
2017	First Nations Housing and Infrastructure Council (FNHIC-BC)	Housing and Infrastructure – model still under development	Phase 1 – Engagement, scope and model Development
2019	Technical Services Advisory Group (AB)(TSAG)	To be confirmed pending value-for- money study	Phase 1 – Engagement and model development
2021	Blackfoot Confederacy (AB) (BFC)	Housing and Infrastructure	Phase 1 – Engagement, scope and model Development
2019	First Nations Capital and Infrastructure Agency of SK (FNCIAS)	Program management – all assets	Phase 2 – Refining scope and service model, ongoing engagement. Signed Framework Agreement and Interim phase and organizational standup.
2020	Southern Chiefs Organization (MB)	Utility model – water only	Phase 1 – Initial scoping, engagement and model development
2021	Chiefs of Ontario (ON)(CoO)	Housing and related infrastructure	Phase 1 – Engagement on approach for Ontario Regional First Nation's Housing Strategy
2020	North Shore Mi'kmaqDistrict Council (Atl) (NSMDC)	AssetManagement and Service Delivery Hub	Phase 1 – Initial scoping and feasibility
2019	Confederation of MainlandMi'kmaq (Atl) (CMM)	Program management – all assets	Phase 1 – Initial scoping and feasibility
2016	Atlantic First Nation Water Authority (AFNWA)	Utility model – water only	Phase 2 – Signed Framework Agreement and Interim Startup Phase
2020	Union of Nova Scotia Mi'kmaq (Atl)(UNSM)	Housing and Infrastructure	Phase 1 – Initial scoping and capacity building
2018	First Nation Infrastructure Institute (FNII)	Standards, project certification, and procurement support	Phase 1 – Initial scoping and model development, currently conducting pilot projects

Linkages and transfer

Transfer of ISC
CFMP
responsibilities
(infrastructure and
Housing)

Other Programs
or Other
Government
Departments'
services

First Nations
Housing and
Infrastructure
Strategy

CFMP Services:

- Water and wastewater facilities and infrastructure
- Education facilities
- Housing
- Solid waste management
- Road and bridge construction, energy system development
- Connectivity
- Cultural and recreational facility development
- Fire protection
- Planning and skills development associated with infrastructure management



Questions?

Use <u>www.slido.com</u> code <u>Atl-1</u>



You need to speak with us? Reach out to our generic mailbox:

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