

## A Report to the Standing Committee on Public Accounts on Updated Performance Measurements for AAFC’s Food Support Programs

### Introduction

Agriculture and Agri-Food Canada (AAFC) administered three programs as part of the Government’s response to the COVID-19 pandemic: the Emergency Processing Fund, the Emergency Food Security Fund, and the Surplus Food Rescue Program.

In December 2021, the Auditor General’s report on *Protecting Canada’s Food System* was tabled in Parliament, with recommendations directed to Fisheries and Oceans Canada, Crown-Indigenous Relations and Northern Affairs Canada, and AAFC.

Subsequently, the Standing Committee on Public Accounts studied the Auditor General’s report, and in May 2022, presented its 14th report, *Protecting Canada’s Food System*, which included the following recommendation directed to AAFC:

	<b>Committee Recommendation</b>	<b>Government Response and Status</b>
<b>Recommendation 3</b>	That, by 31 October 2022, Agriculture and Agri-Food Canada provide the House of Commons Standing Committee on Public Accounts with a progress report regarding how its future food support programs will be delivered fairly and transparently to all involved, including applicants and recipients.	<p>The Government supports this recommendation, and AAFC is on track to provide a progress report by 31 October 2022 detailing how future food support programs will be delivered fairly and transparently.</p> <p>Recognizing that the COVID-19 pandemic would cause disruptions to food processing and production, and unemployment and wage losses would lead to increasing risks of food insecurity, the Government of Canada took quick and decisive actions to protect Canada’s food supply and respond to increasing risks of food insecurity among Canadians.</p> <p>AAFC uses existing channels to administer programs to protect food systems that ensure oversight. AAFC administers grants and contribution programming according to Government of Canada controls, including the Treasury Board Policy and Directive on Transfer Payments. The department ensured that oversight controls and monitoring were in place to assess that funding was spent as directed, as noted in the OAG’s report.</p>

		<p>To further strengthen transparency and fairness in programming, AAFC has made several improvements.</p> <p>AAFC continues to develop internal guidance and training to ensure support programs align with the Treasury Board Policy and Directive on Transfer Payments and are delivered consistently throughout AAFC. Guidance documents, including a new Program Operations Guide, have been updated to provide direction to program delivery staff in developing and delivering grants and contributions programming. The Application Form and Applicant Guide were updated to communicate, inform and outline eligible applicants/recipients; the types of eligible activities and expenditures; and program assessment criteria that are used to evaluate applications. AAFC is working with the Treasury Board Secretariat on additional guidance for when a further distribution of funds model is used.</p>
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**Key measures taken to respond to the Auditor General’s report**

*Fairness and Transparency*

AAFC is committed to the fair and transparent delivery of all programs and to improving existing tools and control frameworks to ensure greater oversight.

AAFC is committed to managing transfer payments in a manner that is sensitive to risks, strikes an appropriate balance between consistency and flexibility and establishes the right combination of good management practices, streamlined administration and clear requirements for performance. The department ensures geographical representation while balancing regional flexibility. In the case of future emergency programming, these key principles will be emphasized at every step of program design and delivery.

AAFC has further strengthened its standardized application packages and processes, including application forms and applicant guides, to provide greater clarity to applicants. Through regular reviews of audit findings, AAFC commits to addressing any systemic audit issues and it will use findings to regularly evaluate and improve our risk tools.

Given the exceptional and unprecedented circumstances presented by the COVID-19 pandemic, AAFC modified or dispensed with some of the departmental procedures and processes that were previously standard to ensure emergency programming was developed and launched quickly, while still ensuring proper oversight, control, and monitoring. In future emergency programming, AAFC will build on the experience of the pandemic to evolve its standardized departmental processes and procedures to support the design, delivery and management of transfer payments. In accordance with these procedures, AAFC will conduct public and industry consultations regarding program development, advertise the program through general and targeted communications, conduct a solicitation of expression of interest, conduct an open call for proposals, assess applications and award funding to successful

applicants, enter into agreements, administer these and monitor projects until the completion of activities, conduct audits and finally, once all performance reports are completed and all agreement conditions have been met, notify and confirm with recipients that projects are complete.

### *Further Distribution of Funds Models*

Considering time sensitivities and specific circumstances, AAFC will strive to ensure greater articulation of program requirements for Further Distribution of Funds Models. The design and delivery of emergency programming will be more transparent to solicit interest during calls for proposals. This will include: structured parameters on recipient requirements in terms of funding agreements, project management, reporting and distribution of funds; clearly outlining the process for the selection of initial recipients, documenting the rationale to ensure best fit and regular assessment of Further Distribution of Funds Models to ensure policies and requirements are respected.

The Treasury Board Secretariat (TBS) is developing a draft guidance document for departmental transfer payment specialists, highlighting key takeaways and policy principles. TBS is expected to provide clarifications with regards to funding agreement requirements (e.g. sample clauses) and monitoring and oversight (e.g. department's role in articulating the elements of program design).

In the interim, AAFC has already implemented some best practices and considerations within its funding agreement with initial recipients. The draft information note and key principles were communicated and shared with Program Managers and Program Directors ensuring that their process to identify and select initial recipients is well documented, and based on the initial recipients' capacity to further distribute funds to ultimate recipients.

Final guidance by TBS (expected Fall 2022) will be shared with all Program Delivery Staff, and will be integrated into internal reference tools, including the department's Grants and Contributions Operation Guide. Standard funding agreement templates will be developed in collaboration with Legal Services, and will be used across all programs, ensuring consistent and transparent obligations for both Recipients and AAFC.

### *Example of New Measures – Local Food Infrastructure Fund*

AAFC has already made improvements to some of its processes, as identified by the Auditor General's report. As an example, one of AAFC's key food support programs is the Local Food Infrastructure Fund (LFIF), which was launched in 2019. LFIF provides infrastructure investments to support community-led projects that improve access to healthy, nutritious and local foods for Canadians at risk of food insecurity. LFIF has been delivered through four rounds of intake applications, which have supported both smaller scale projects as well as larger, more complex food systems based projects.

The most recent phase of LFIF focused on groups that have been the least successful in securing LFIF funding throughout the previous streams, and which have the highest rates of food insecurity, with a particular emphasis on Indigenous groups.

In preparing for LFIF's latest application intake, which was held from June 1 to July 22, 2022, officials introduced a soft launch period in advance of the defined intake in order to maximize awareness of the program. The soft launch period was held from March 23 to May 31, 2022 and it enabled officials to provide tailored support to potential

applicants and give potential applicants enough time to develop partnerships and prepare applications for food systems projects, prior to the intake.

AAFC published a new applicant guide at the start of the soft launch and worked closely with other government departments, including the Canadian Northern Economic Development Agency, Indigenous Services Canada, Crown-Indigenous Relations and Northern Affairs Canada and Employment and Social Development Canada, to amplify program communications.

AAFC's news release was issued in seven Indigenous languages, in addition to French and English, in order to reach as many potential applicants as possible. AAFC created an outreach plan and conducted numerous outreach activities, such as live information sessions which reached over 400 attendees as well as one-on-one discussions with potential applicants. The department also worked through its regional offices to further promote LFIF to potential applicants across Canada.

Program officials also participated in Indigenous Awareness and Indigenous Food Systems training to offer more consistent support to applicants and work with Indigenous communities in a culturally safe manner. At the official launch on the application intake period on June 1, AAFC also sent a reminder to the 1,000 stakeholders who initially received the soft-launch information at the end of March.

AAFC updated its LFIF application form, to improve potential applicants' experience. Officials also employed a new review process and assessment grid, which followed a competitive, merit-based process with scoring/ranking and prioritization of fundable projects based on set criteria. Project proposals were reviewed and assessed by officials in Programs Branch, and supplementary reviews were provided by colleagues from regional offices, the Indigenous Policy team and the Food Policy team. This helped ensure strong oversight and risk mitigation.

As noted in AAFC's progress report for Recommendation 5, the Department also seized the opportunity to be innovative in its performance reporting approach, to find a balance between collecting the results information necessary to assess the impacts of the program, while supporting self-determination and autonomy of Indigenous program funding requirements.

## A Report to the Standing Committee on Public Accounts on Updated Performance Measurements for AAFC's Food Support Programs

### Introduction

Agriculture and Agri-Food Canada (AAFC) administered three programs as part of the Government's response to the COVID-19 pandemic: the Emergency Processing Fund, the Emergency Food Security Fund, and the Surplus Food Rescue Program.

In December 2021, the Auditor General's report on *Protecting Canada's Food System* was tabled in Parliament, with recommendations directed to Fisheries and Oceans Canada, Crown-Indigenous Relations and Northern Affairs Canada, and AAFC.

Subsequently, the Standing Committee on Public Accounts studied the Auditor General's report, and in May 2022, presented its 14th report, *Protecting Canada's Food System*, which included the following recommendation directed to AAFC:

	<b>Committee Recommendation</b>	<b>Government Response and Status</b>
<b>Recommendation 5</b>	That, by 31 October 2022, Agriculture and Agri Food Canada provide the House of Commons Standing Committee on Public Accounts with a progress report on updated performance measurements that allow it to obtain sufficient, consistent, and relevant data to assess the achievement of outcomes for its food support programs.	<p>The Government supports this recommendation, and is on track to provide a progress report by 31 October 2022.</p> <p>AAFC recognizes the importance of robust performance measurement strategies, and is committed to work towards the improvement of its performance information by focusing on early engagement with policy and program leads during the Memorandum to Cabinet and Treasury Board submission stages of new initiatives. As part of this engagement, AAFC ensures that Performance Information Profiles exist, and are being implemented for each program. It also ensures that the approaches contained therein enable AAFC to obtain sufficient, consistent, and relevant data to assess the achievement of outcomes for its programs that support Canada's food systems. Additionally, AAFC has added new fields in its performance reporting documents for one of its key programs that supports Canada's food systems. The program, called the Local Food Infrastructure Fund, uses the new fields to collect data to show additional comparability between projects and to analyze the program's absolute impacts.</p>

	AAFC will provide the PACP with a progress report on updated performance measurements for its food support programs by 31 October 2022.
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**Key measures taken to respond to the Auditor General’s report**

AAFC is committed to enhancing its collection of sufficient, consistent, and relevant data to assess the achievement of outcomes of its food support programs.

As an example, AAFC has developed a document to guide the development of Performance Information Profiles (PIPs) for future programming. This reference document, presented as Annex A, will further strengthen the Department’s ability to ensure that effective measurement and reporting processes are in place for its programs. One of the best practices identified is to consult within AAFC where relevant to determine if other branches (such as the Strategic Policy Branch) can support in the measurement of outcomes, especially intermediate and ultimate outcomes. This will ensure that as new programs are established, their performance measurement approaches leverage any data collection processes already in place, or that new processes are established to collect sufficient data to assess the achievement of the program’s intended outcomes.

AAFC will continue to strengthen its performance measurement approaches to obtain sufficient, consistent, and relevant data for its programs that support Canada’s food systems.

For instance, funding recipients of one of AAFC’s key food support programs, the Local Food Infrastructure Fund (LFIF), are required to provide quantitative metrics regarding the amount of food produced/distributed both before and after project funding. Specifically, the performance template includes tables to capture metrics about the volume of food in weight, the value of food in dollars, the number of meals, and the number of clients served. The guidance included in the performance reporting template directs funding recipients to report against “as many of the measurement metrics as [they] are able to, and as relevant to [their] organization”, recognizing that different food service organizations have different food distribution methods and approaches. Funding recipients are also asked to provide before/after quantities for any other metrics relevant to their organization.

One of the limitations identified by the Auditor General’s report was that AAFC allowed recipients to report quantitative results using different units – limiting comparability between projects, as well as the Department’s ability to calculate an absolute aggregate impact. Indeed, for AAFC’s food support programs, the Department has not always explicitly required recipients to identify the unit and timeframe representing their food volume or value results, as the reported data is then used to calculate percent increases or decreases which are not unit-dependent. That said, AAFC recognizes that collecting information about the units being reported allows for additional result calculations, including the ability to analyze absolute impacts of a program rather than looking exclusively at change over time.

Annex B presents the performance reporting template that was used for the fourth stream of LFIF. Program recipients were still able to select the unit and timeframe they wished to report against as relevant to their organization (see questions 6 and 7), however, because AAFC requires recipients to indicate the unit and timeframe they are using, calculations can be done to aggregate the absolute results achieved by the projects.

The inclusion of these fields allows the Department to better compare results between projects and to analyze the food support programs' absolute impacts.

In addition, LFIF recipients who receive over \$100K in funding are required to administer a survey to ultimate beneficiaries to determine the impact the project has had on the Canadians who access the services offered by the local food support organizations funded by AAFC. The questions included in the survey are similar to those contained in the Statistics Canada's Canadian Income Survey with respect to food security. These funding recipients also provide detailed information about their organizational partnerships both before and after project funding, and the number and type of food programs/services offered before and after project funding.

The application intake period for the most recent stream of the program, LFIF-5, closed in July 2022. The focus of the stream is on groups that have been the least successful in securing LFIF funding throughout the previous streams, and which have the highest rates of food insecurity, with a particular emphasis on Indigenous groups. This focus presented an opportunity for the Department to be innovative in its performance reporting approach, to find a balance between collecting the results information necessary to assess the impacts of the program, while supporting self-determination and autonomy of Indigenous program funding requirements. Based on a series of discussions with representatives from AAFC's Indigenous Science Liaison Office, from the Indigenous Policy Division within AAFC's Strategic Policy Branch, and from First Nations and Inuit Health Branch within Indigenous Services Canada, a modified performance reporting template was developed. The LFIF-5 performance reporting template requires funding recipients to describe a client impact story that illustrates how the funding helped reduce food insecurity in their community, and to indicate how the project supported traditional methods of food production and/or preservation in the community, if applicable. Together with the quantitative metrics tables, this information will allow AAFC to collect sufficient, consistent, and relevant data to assess the achievement of outcomes of the program.

## Reference document to guide the development of Performance Information Profiles (PIPs)

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### Introduction to PIPs development

Required for all programs in the Program Inventory.

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Intended to be a management tool to guide the generation of performance information (measurement and evaluation); and to act as a repository for other key information about a program and its performance measurement requirements.

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PIPs information must support ongoing program management, assessment and evaluation; parliamentary reporting, and information required to support the information needs of Treasury Board (e.g., in Treasury Board Submissions) and Central Agencies.

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Intended to be evergreen and reviewed/revised periodically.

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## Things to include in the PIP

### Program Profile

- Program name
- Program description
- Responsible official
- Start and end dates
- Link to DRF
- Financial information
- Metadata
- Need for program
- Evaluation needs
- Policy considerations such as GBA Plus analysis and official languages

### Performance Story

- Program theory
- Logic model
- Program outputs
- Program outcomes
- Performance indicators



## Annex A: Reference document to guide the development of PIPs

### Program Outputs and Outcomes Components

- Indicators and relevant information on methodology, data type, data collection frequency, data source, data owner, targets and thresholds as appropriate for each indicator
- Outcomes should describe what impacts the program expects to achieve, and the performance indicators should measure the extent to which the program achieves its intended outcomes

### Best Practices for PIP development:

- ✓ Ensure there are immediate, intermediate, and ultimate outcomes.
- ✓ Performance indicators can be qualitative or quantitative. Qualitative indicators typically require a rating scale e.g. research quality is rated as excellent, average or below average.
- ✓ Specify the unit that recipients will use in their reporting so that results can easily be aggregated across projects.
- ✓ Ensure performance indicators are developed to measure the GBA Plus impacts of the program
- ✓ Ensure performance indicators are developed to measure the sustainable development impacts of the program.
- ✓ Output measurements such as 'number of' should be used sparingly.
- ✓ Outcomes should be clear and explain the cause and effect linkages. The outcomes and performance indicators should show a logical progression of key impacts of the program.
- ✓ Where possible, use standard indicators across similar programs.
- ✓ Consideration should be given to keeping indicators stable over time to support consistent and more meaningful reporting. In doing so, consider data source reliability and availability to avoid unplanned amendments that may detract from these goals.
- ✓ Include a column in the PIP's performance measurement table to track which indicators include a GBA Plus lens, and/or contribute to sustainable development commitments.
- ✓ Consult within AAFC where relevant to determine if other branches (such as SPB) can support in the measurement of outcomes, especially intermediate and ultimate outcomes.
- ✓ Consult with other departments (i.e. NRCAN, ECCC) where there is shared programming.
- ✓ The PIP should be reviewed by the Head of Performance Measurement (at AAFC, this role resides within the Strategic Management Directorate).
- ✓ Ensure that the effort required to collect data against the indicators is commensurate with the level of resources for the program.

## Helpful terms

- **Baseline data:** Describes the initial state of an indicator.
- **Target:** Can be a single numerical value or a range

## Annex B: Performance Reporting Template for LFIF-4

### Local Food Infrastructure Fund (LFIF) – Grants Performance Report

This template serves to satisfy the performance reporting requirements of the project. The intent is to collect information regarding the project’s results and impacts. The information will be used to report to Parliament, and to capture achievements for communication purposes within the Department.

Name of Recipient:	
Project Number:	
Project Start Date (YYYY-MM-DD):	Project Completion Date (YYYY-MM-DD): <b>2022-03-31</b>

Please answer the following questions by placing an (X) in the answer box that corresponds to your response.

	Not at all 1	Slightly 2	Moderately 3	Considerably 4	Significantly 5
<p>1. To what degree has the project increased your organization’s <b>capacity</b> to provide healthy and nutritious food?</p> <p><i>Capacity refers to the ability of your organization to increase the amount of healthy and nutritious food produced, stored and/or distributed through the investment in infrastructure (equipment and material such as, but not limited to, freezers, refrigerators, trucks, cold room storage, shelving, tables, booths, energy systems, kitchen equipment, garden tools, seed stock, new partnerships, etc.)</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>2. To what degree has the project increased the <b>availability</b> of healthy and nutritious food in your community?</p> <p><i>Availability refers to the amount of food community members are able to acquire in the community. Increases due to the investment in infrastructure could include, but are not limited to, an increase in quantity of food produced/distributed, number of meals provided, type of food services offered, number of locations providing food services, etc.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>3. To what degree has the project contributed to reducing <b>household food insecurity</b> in the community you serve?</p> <p><i>Household food insecurity, for the purposes of this performance report, refers to household members’ inability to financially and/or physically access a sufficient quantity of safe, healthy and culturally diverse food.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>4. To what degree has the infrastructure contributed to <b>stability</b> in the level of food security in the community?</p> <p><i>Stability means that food is available and accessible continually over time, with no gaps or interruptions in access, availability or use.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Annex B: Performance Reporting Template for LFIF-4**

5. Please indicate the vulnerable groups that were served by the infrastructure investments of this project.

- Persons with disabilities
- Youth
- Indigenous peoples
- Visible minorities
- Low income households
- Low income seniors
- LGBTQ2+
- Homeless
- Groups with social/employment barriers
- Newcomers to Canada (including refugees)
- Other, please specify:

6. Please indicate the quantity of food produced/distributed before and after the project, using as many of the measurement metrics as you are able to, and as relevant to your organization.

Volume of food	
Before the project	
After project completion	
Unit	<input type="checkbox"/> Pounds <input type="checkbox"/> Kilograms
Frequency	<input type="checkbox"/> Per week <input type="checkbox"/> Per month

Value of food (in \$)	
Before the project	
After project completion	
Frequency	<input type="checkbox"/> Per week <input type="checkbox"/> Per month

Number of meals	
Before the project	
After project completion	
Frequency	<input type="checkbox"/> Per week <input type="checkbox"/> Per month

Number of clients served	
Before the project	
After project completion	
Frequency	<input type="checkbox"/> Per week <input type="checkbox"/> Per month

7. Please list any additional metrics that are relevant to your organization (e.g. capacity of cold storage, length of growing season, number of food literacy programs offered, hours of operation, etc.). For each, please indicate the before and after values, unit and frequency.

## Annex B: Performance Reporting Template for LFIF-4

8. Please explain any differences between what your organization expected the project to achieve and the actual results.

9. **For projects which included the purchase of a refrigerated vehicle:** Please confirm whether the minimum 15% cost-share ratio, as identified in the grant agreement, was met or not. If not, please provide a rationale.

10. Please describe any additional outcomes achieved by the infrastructure investments in your project, especially in terms of partnership building, local economic development, environmental outcomes, and health outcomes. Feel free to share any feedback regarding the project overall (including unexpected results, significant achievements, challenges or lessons learned).