

2024 – 2025

Annual Report



Local Governance
Commission
OF NEW BRUNSWICK

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Transmittal Letters

From the Minister to the Lieutenant-Governor

Her Honour the Honourable Louise Imbeault
Lieutenant-Governor of New Brunswick

May it please Your Honour:

It is my privilege to submit the first Annual Report of the Local Governance Commission of New Brunswick for Fiscal Year 2024–2025.

Respectfully Submitted,



Hon. Aaron Kennedy
Minister of Local Government

From the Chair to the Minister Responsible

Hon. Aaron Kennedy
Minister of Local Government

Dear Minister:

I am pleased to present the Annual Report of the Local Governance Commission of New Brunswick for the Fiscal Year 2024–2025.

Respectfully submitted,



Giselle Goguen, B.A., LL.B
Chair, Local Governance Commission of New Brunswick



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Message From the Chair

It is with immense pride that I present the first annual report of the Local Governance Commission of New Brunswick. Over the past year, we have worked tirelessly to build this Commission from the ground up—transforming vision into reality while ensuring that we were fully operational from day one.

Indeed, our small team had been in place only a few weeks when the *Local Governance Commission Act* was proclaimed on May 15, 2024. We immediately embraced the challenge of establishing this new independent entity, fulfilling our mandate with professionalism and efficiency. Each of our dedicated employees has played a vital role in building the Commission and I am grateful for their hard work, expertise, and commitment. I am equally thankful to my fellow Commission members who enthusiastically provided their wisdom, experience and vital insights during this critical first year of operation.

Throughout this crucial period, we adhered to the Commission's core values of independence, integrity, transparency, timeliness and collaboration. These essential tenets guided us in the development of the policies and processes that brought our legal authority to life and guided our work every day.

Our experience during the Commission's first year of operation has given us valuable insight into the challenges faced by local elected officials and staff in the wake of Local Governance Reform. The work we do and the conversations we have with councillors, local government employees and residents from across New Brunswick have informed the series of recommendations contained on page 21 of this report. These recommendations, if adopted, will help provide local authorities with the capacity and support they need and deserve.

While the Commission has already become a trusted resource in addressing challenges in local governance, the Commission's future rulings and recommendations will provide a further guide for local officials and staff across the province.

Sincerely,

Giselle Goguen, B.A., LL.B

Chair, Local Governance Commission of New Brunswick

The work we do and the conversations we have with councillors, local authority employees and residents from across New Brunswick have informed the series of recommendations contained on page 21 of this report. These recommendations, if adopted, will help provide local authorities with the capacity and support they need and deserve.

Establishing the Local Governance Commission

The Local Governance Commission of New Brunswick (the Commission) is a new independent, arm's-length entity, and the first of its kind in Atlantic Canada. Making history is exciting, but building a quasi-judicial institution from the ground up requires expertise, creativity, and a lot of hard work. In addition to building the Commission's governance framework under the guidance of the Chair and commission members, our small staff managed a steady stream of

inquiries, complaints, and requests for guidance, all while ensuring services were available from the outset.

Going forward, the Commission's annual reports will be informed by the Commission's three-year Strategic Plan, the first of which spans 2025 to 2028 and is available on the Commission's website.

Some key milestones from our first year:

SPRING 2024 APRIL - JUNE



- The Chair and Commission members were appointed by Cabinet.
- The full staff of four employees was hired.
- The *Local Governance Commission Act* (the "Act") was proclaimed on May 15th, officially establishing the Commission and making it accessible to the public.
- The Chair and Director/General Counsel analyzed and interpreted the Act in detail to clarify the Commission's mandate and role.

SUMMER 2024 JUNE - SEPTEMBER



- Commission members underwent technical training on the Act and their role.
- Key governance policies and processes, including the Code of Conduct for commission members, Rules of Procedure, and Roles and Responsibilities were developed and approved.
- Complaint and inquiry handling procedures and processes were designed and implemented.
- The Commission held its first official meeting, marking the start of a regular six-week meeting schedule.
- Our website was created and launched, featuring process maps for complaints and recommendations.
- The Chair and Director/General Counsel delivered presentations on the Commission's mandate, including to the Provincial Planners' Association and Regional Service Commissions.

FALL 2024

SEPTEMBER - DECEMBER



- The Chair presented the Commission's role and mandate to the province's three municipal associations: The Union of New Brunswick Municipalities, l'Association francophone des municipalités du Nouveau-Brunswick, and the Association of Municipal Administrators of New Brunswick.
- The Commission sent a memorandum to all local governments and regional service commissions outlining the Commission's mandate and role.
- The Director/General Counsel led a full-day workshop and information sessions for Department of Local Government staff to deepen their understanding of the Commission's mandate, role and processes.
- The Commission developed and approved its first budget.
- The Commission moved into its permanent office space.

WINTER 2025

DECEMBER - MARCH



- The Commission developed and adopted a three-year Strategic Plan.
- Commission staff worked with Service New Brunswick on the development and implementation of a case management system.
- The Commission concluded the development and adoption of its many governance policies, which will ensure the Commission's independence, integrity, and ethical conduct.

Mandate

The role of the Local Governance Commission (“the Commission”) is to:

- Provide advice and recommendations to the Minister of Local Government on topics related to local authorities (local governments, regional service commissions, and rural districts), such as requests for restructuring, regional infrastructure cost sharing decisions and by-law studies;
- Investigate issues affecting local authorities such as alleged code of conduct and conflict of interest violations, and issue rulings and sanctions when necessary;
- Provide education, advice and information on topics related to the *Local Governance Commission Act* and other related laws to both local authorities and residents; and
- Complete other tasks assigned to the Commission by the Minister of Local Government.

Duties, Functions and Powers of the Commission:

- Investigating, ruling on, and imposing sanctions relating to alleged code of conduct violations;
- Investigating, ruling on, and imposing sanctions relating to alleged conflict of interest violations;
- Reviewing and making recommendations to the Minister of Local Government on restructuring requests, such as incorporations of new local governments, amalgamations, annexations, and decreases in the territorial limits of local governments;
- Reviewing and making recommendations to the Minister of Local Government in response to requests to alter the boundary of a regional service commission;
- Reviewing and making recommendations to the Minister of Local Government on regional service commission decisions relating to cost sharing for sport, recreation and cultural regional infrastructure;

- Studying and making recommendations to the Minister of Local Government on whether to amend or repeal certain local government by-laws;
- Appointing auditors to conduct audits of local governments, local boards, and regional service commissions;
- Appointing inspectors to conduct investigations of local governments, local boards, and regional service commissions;
- Appointing supervisors for local governments whose councils no longer have quorum;
- Recommending the appointment of supervisors for local governments;
- Recommending the appointment of trustees for regional service commissions; and
- Examining any other topic requested by the Minister or Cabinet.

The Commission’s mandate can therefore be divided into three main areas of responsibility:

- The **power to rule and impose sanctions** relating to conflicts of interest and code of conduct violations at the local level for local governments, regional service commissions and rural districts. The Commission is a quasi-judicial administrative tribunal, and its rulings and sanctions have the force of law.
- The **power to make recommendations** to the Minister of Local Government on certain matters relating to local governments, regional service commissions and rural districts.
- The **power to appoint** or recommend the appointment of supervisors, trustees, auditors, and inspectors.



A

Power to rule and impose sanctions

Code of Conduct Violations

Generally, codes of conduct set out the values, rules, responsibilities, and expectations of those to which they apply (elected officials), and includes provisions that require professional and respectful behaviour, the appropriate use of public resources and assets, and provisions prohibiting bullying, discrimination, and harassment. Codes of conduct also typically contain a process for accepting, investigating, and ruling on complaints. Codes of conduct usually also include penalties that may be imposed on people who violate one or more of their provisions.

There are three types of Codes of Conduct that fall within the Local Governance Commission's mandate:

- The *Local Governance Act* requires that every local government (city, town village and rural community) adopt a by-law containing a code of conduct that applies to all councillors.
- The *Regional Service Delivery Act* allows regional service commissions to adopt a by-law containing a code of conduct that applies to board members.
- The Minister has established a code of conduct for rural districts that applies to council members.

Conflicts of Interest

In general, conflict of interest rules exist to prevent councillors, board members and those employees that report directly to Council or a Board of Directors of a regional service commission (senior employees)

from using their positions to gain a financial benefit or advantage for themselves, a family member, or a corporation they have a connection to, through their work with a local authority (local government, regional service commission or rural district). This includes entering into contracts on behalf of the local authority that would provide a direct benefit to one or more councillors, one or more board members, one or more senior employees, or one of their family members.

Conflict of interest rules prohibit councillors, board members and senior employees from accepting fees, gifts, gratuities, or other benefits that could influence them in making decisions and performing their duties.

Conflict of interest rules also prohibit councillors, board members and senior employees from using their positions, or information they have learned through their positions, which is not available to the public, for their own personal gain or for the personal gain of a family member.

The *Local Governance Act* sets out the rules that councillors and officers (senior employees) must follow to avoid being in a conflict of interest.

The *General Regulation — Regional Service Delivery Act* sets out the rules that board members and designated employees (senior employees) must follow to avoid being in a conflict of interest.

B**Power to make recommendations to government on certain matters relating local governments, regional service commissions and rural districts****Restructuring – Incorporations, Amalgamations, Annexations & Decreases in Territorial Limits**

Proponents (one or more local governments, the Minister of Local Government, or 25+ residents of a rural district) must first submit to the Local Governance Commission (the Commission) a proposal, and then a report, which both include information such as the various impacts the proposed changes would have on residents, the tax base, and local services. The Commission is required to give notice of both the proposal and the report to various stakeholders. The Commission is also required to post reports on this website to allow for public review and comment.

The Commission reviews proposals and reports to ensure they comply with the legislative requirements set out in the *Local Governance Commission Act* and the *General Regulation — Local Governance Commission Act*. Following a substantial review of reports, the Commission makes a recommendation to the Minister of Local Government. The Minister makes the final decision on the request.

Amendments to Descriptions of Regions for Regional Service Commissions

A member (meaning a local government or rural district) of a Regional Service Commission (RSC) may request to become a member of another RSC. The member must be located on the boundary of the RSC it wishes to join. The member must prepare an impact study to be reviewed by the Commission. The Commission reviews the study and then determines whether there is sufficient local support for an amendment. If so, the Commission makes a recommendation to the Minister of Local Government, who ultimately decides whether to make the change.

Review of a Decision of an RSC on Cost Sharing Regional Infrastructure

The Commission may review a decision made by a RSC that any or all members are not required to contribute to the costs of regional sport, recreational or cultural infrastructure. Requests may only be received from a RSC, a member of a RSC or the Minister of Local Government, and must be accompanied by a detailed report. Once the Commission has reviewed the report, it will make a recommendation to the Minister of Local Government. The final decision rests with the Minister.

Review of Certain Local Government By-Laws

The Minister of Local Government may direct the Commission to conduct a study on repealing or amending a local government by-law. The Commission must give notice that it is reviewing a by-law and accept submissions from the public and local governments. The Commission may also hold public hearings to hear presentations from interested persons. Once the Commission has concluded its study, it must prepare a report for the Minister of Local Government. The report includes a recommendation to the Minister on whether the by-law should be amended or repealed. The final decision on the by-law's fate rests with the Minister.

The Commission's authority does not apply to by-laws adopted under the *Community Planning Act*, and there are numerous other by-laws that the Commission cannot review. A complete list is included in the *By-law Repeal or Amendment Regulation — Local Governance Act*.

Supervisors

The Commission may directly appoint a supervisor where, in the opinion of the Commission, a local government council is not able to form a quorum due to vacancies.

The Commission may also recommend that Cabinet appoint a supervisor for a local government where a local government:

- has defaulted on meeting its obligations and probably cannot meet its future obligations;
- is unable to carry on its business;
- is not functioning effectively, as determined by an audit;
- fails to fulfil its legislative responsibilities under the *Local Governance Act* and other Acts; or where
- it is in the public interest.

A supervisor acts as the Council for the local government. The costs associated with a supervisor are the responsibility of the local government.

Trustees

The Commission may recommend that the Minister of Local Government appoint a Trustee for a RSC following an investigation or audit that found:

- the board of directors is not functioning effectively;
- the board of directors fails to fulfil its responsibilities under the *Regional Service Delivery Act* and its Regulations; or where
- it is in the public interest.

The Trustee acts as the Board of Directors of the RSC. The costs associated with a trustee are the responsibility of the RSC.

Auditors

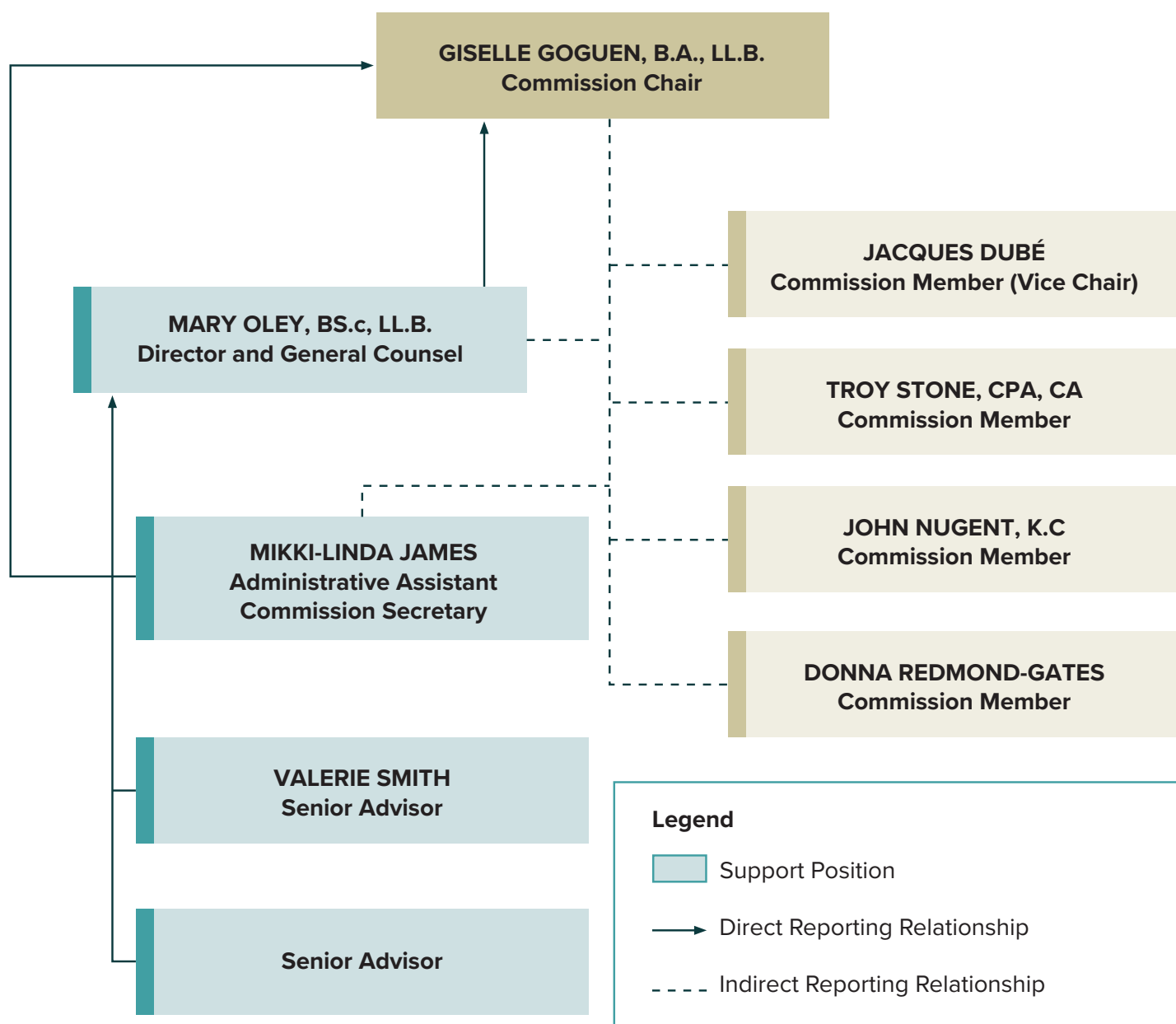
The Commission may appoint an auditor to audit the financial affairs of a local authority (local government, local board, or regional service commission). Following an audit, the auditor must provide a report to the Commission, which is shared with the Minister of Local Government and the local authority. Following a review of the report, the Commission may take any action it considers necessary, including suspending a senior employee of a local authority for the length of time the Commission deems fit. Where the Commission acts following the review of a report, the Commission must advise the Minister of Local Government. The costs associated with an auditor are the responsibility of the local authority.

Inspectors

The Commission may, on its own initiative or at the request of a senior employee of a local government, the Minister of Local Government or Cabinet appoint an inspector to conduct an investigation of a local authority (local government, a local board, or a regional service commission). The Commission determines the scope of the investigation. Following an investigation, the inspector must provide a report to the Commission. The Commission may take any action it considers necessary, including suspending a senior employee from a local government for a duration the Commission deems appropriate. If the Commission acts following an investigation, the Commission must advise the Minister of Local Government. The costs associated with an inspector are the responsibility of the local authority.

Local Governance Commission Members and Employees

Commission Members



Accountability in Action: Handling Complaints, Issuing Recommendations and Making Appointments

A

Complaints relating to alleged code of conduct violations and conflicts of interest

The Local Governance Commission (“the Commission”) has developed a process for receiving and handling complaints that is efficient while ensuring the principles of procedural fairness and natural justice are respected.

Codes of conduct apply to local government councillors, regional service commission board members and members of rural district advisory councils.

Conflict of interest provisions in the *Local Governance Act* apply to local government councillors and senior staff. Regional service commission board members and certain employees are similarly bound by conflict-of-interest provisions in the *General Regulation — Regional Service Delivery Act*.

The Commission’s process for receiving and handling code of conduct and conflict of interest complaints is as follows:

Complaint Process



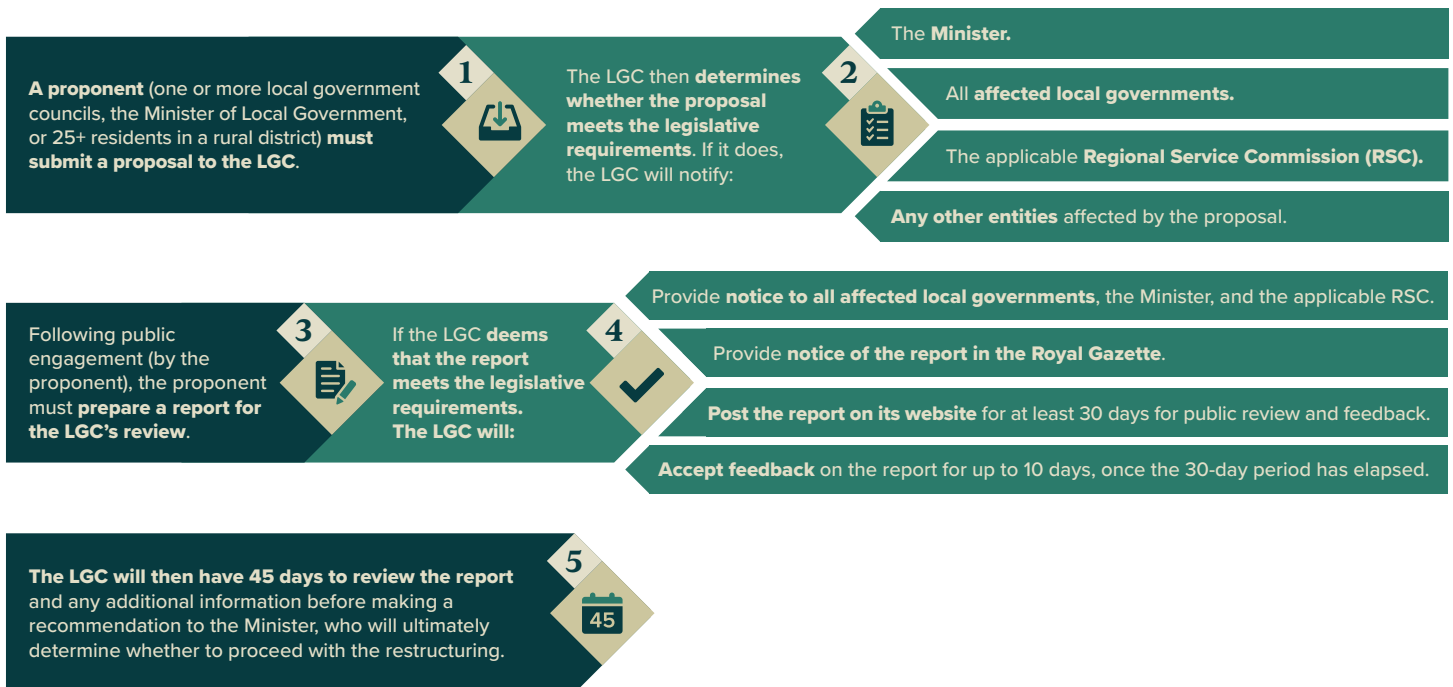
B

Recommendations on matters affecting local governments, regional service commissions and rural districts

The Commission has developed processes for receiving, studying, and making recommendations on matters affecting local governments, regional service commissions and rural

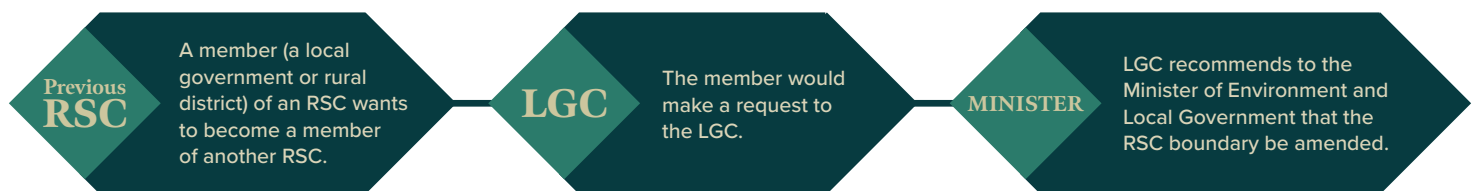
districts. The Commission's approach is rooted in applicable provisions within relevant legislation and regulations. The procedures for each topic are as follows:

Restructuring a Local Government

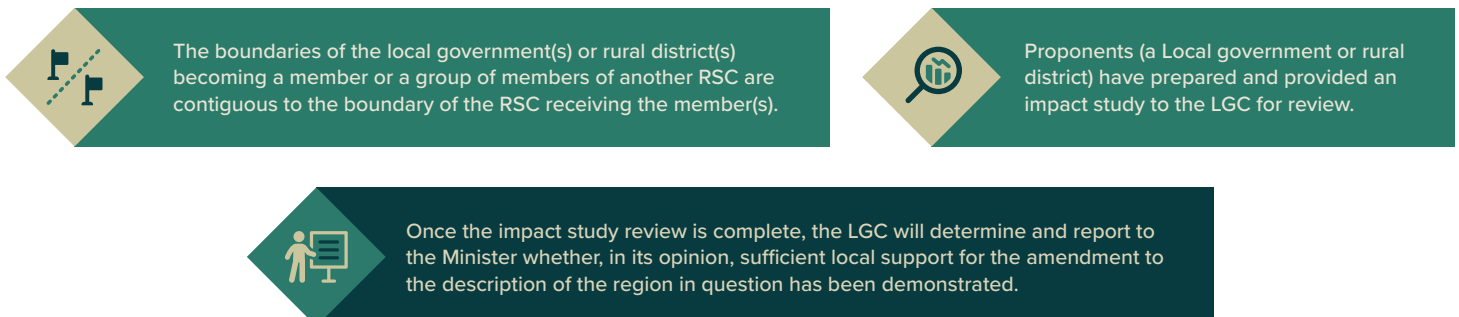




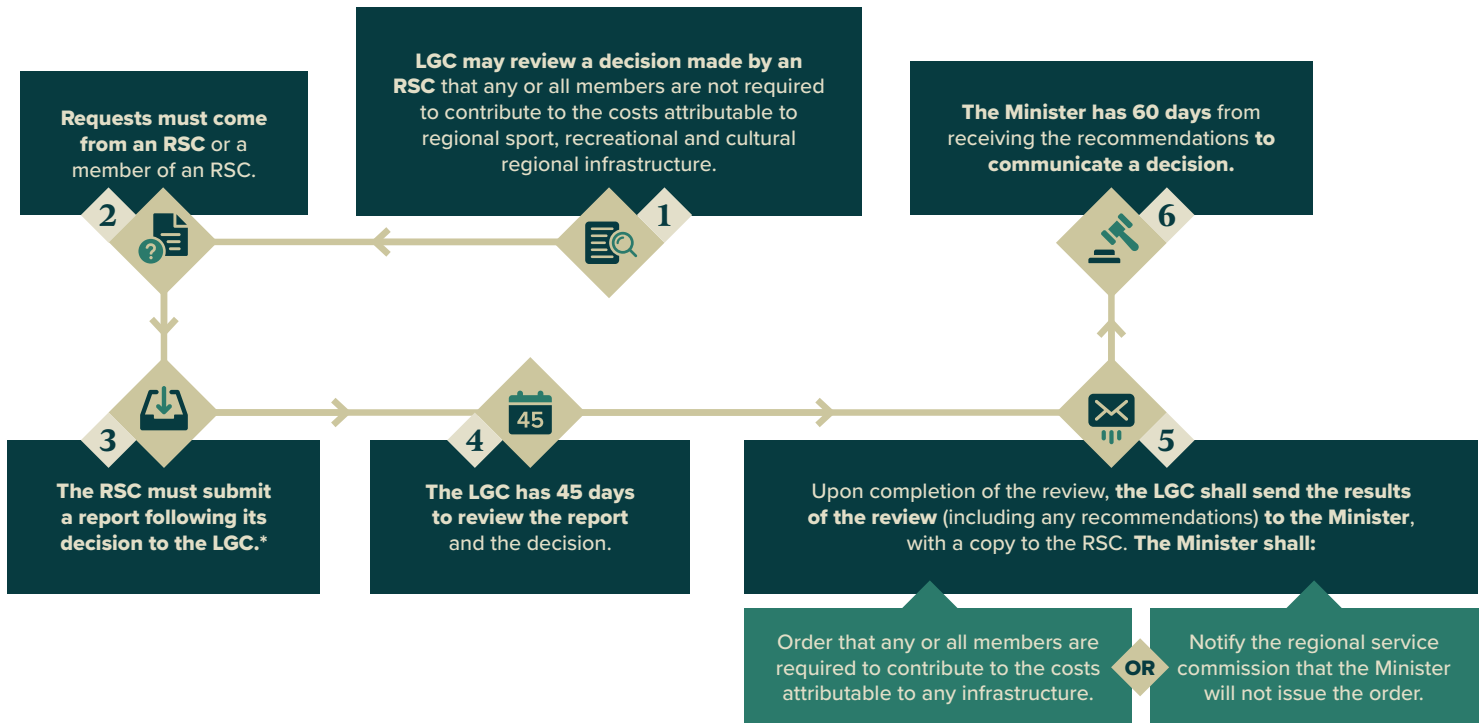
Boundary Amendments



The description of a region may only be amended where:



Reviewing Regional Service Commission (RSC) Decisions Regarding Cost-Sharing



* There is a legislative discrepancy between the subsection 3.4(3) of the Regional Service Delivery Act and the section 47 of the Local Governance Commission Act. The Regional Service Delivery Act requires an RSC to submit a report to the LGC even where there has been a unanimous decision that not all members are required to contribute to the cost of a piece for regional sport, recreation, or cultural infrastructure; whereas, the Local Governance Commission Act says the LGC may review a decision of the RSC.



Reviewing of By-Laws

1

Minister may direct the LGC to conduct a study respecting the repeal or amendment of a by-law.*



2

The LGC conducts the study and provides the Minister with a report setting out its findings and recommendations.



The LGC must give public notice that a report is being prepared and invite submissions from interested persons, including other local governments.



The LGC may hold public hearings to hear representations from interested persons, including other local governments.

3

The LGC must prepare a report. The LGC must prepare a report setting out its findings and recommendations.



Must include a description of the impact of repealing or amending the by-law:



On land use. (Use of Property.)



On residents of the local government and any impacted groups within the local government.

4

The LGC provides the report and a recommendation to the Minister on whether to amend or repeal the by-law.



5

The Minister may decide whether to amend or repeal the by-law and advises the local government.



6

The Minister may order the by-law be amended or repealed.



* **Note:** There is an extensive list of exemptions, which may be found in the *By-law Repeal or Amendment Regulation — Local Governance Act*. LGC's Authority does not apply to by-laws adopted under the *Community Planning Act*. *By-law Repeal or Amendment Regulation — Local Governance Act*. 2024-47 — **By-law Repeal or Amendment** ([gnb.ca](https://www.gnb.ca))



Year-One Operational Overview and Budget

The Commission began hearing from local government staff, elected officials and the public on the same day the *Local Governance Commission Act* was proclaimed on May 15, 2024. Indeed, while the Commission's small team was building our governance, procedural and operational frameworks, they were simultaneously dealing with ongoing inquiries (82, in total).

When it comes to dealing with alleged code of conduct violations and alleged conflicts of interest, the *Local Governance Commission Act* only allows the Commission to become involved after the matter has been dealt with or resolved at the local level. Similarly, in the case of proposed local government restructurings or cost-sharing decisions, for instance, the Commission cannot study a request with a view to making a recommendation until the proponents fulfill certain legislatively mandated requirements. This means that people who contacted our office assuming the Commission would be an alternative to local decision-making were directed by staff to go through these preliminary processes.

During its first year of operation, the Commission frequently engaged with complainants and local governments in ways that included an educational component—clarifying the Commission's role and mandate, and its relationship with both local authorities and the Department of Local Government. In a similar vein, while the Commission does not comment publicly on specific cases or hypothetical scenarios, the Chair and the Director and General Counsel regularly provide interviews and information to news media on the Commission's mandate, role, and processes.

Over the course of the year, the Chair also dismissed five complaints that were either outside the Commission's legislative mandate or without sufficient grounds for investigation. However, some other inquiries led to formal complaints or submissions that fell within the

Commission's jurisdiction. These resulted in rulings and recommendations, the majority of which were issued in the early months of the 2025–2026 fiscal year, and will therefore be detailed in the Commission's next annual report.

In future years, the Commission will report on the number of rulings and recommendations issued annually, as data from subsequent years will better reflect typical operational activity.

Budget:

The Commission's overall budget for 2024–2025 was \$1,458,459.32 (including \$697,000 in one-time funding to establish the Commission).

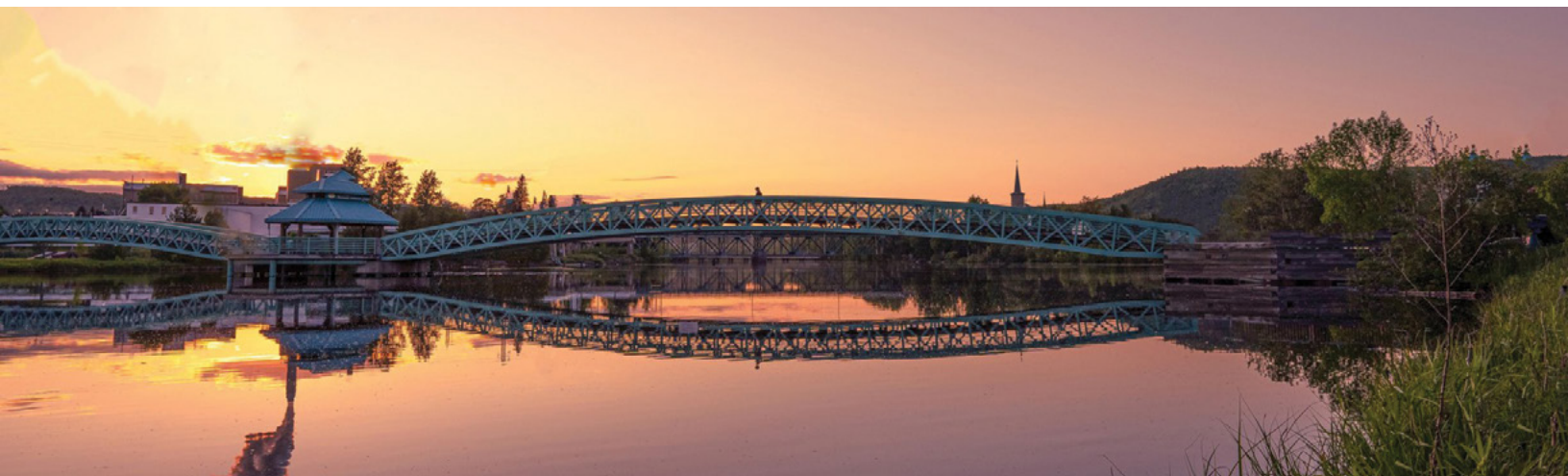


Recommendations to the Minister of Local Government

In the short time since the *Local Governance Commission Act* came into force on May 15, 2024, the Commission has heard from people across the province on a wide range of issues that matter to them. Frequently, assisting them is as simple as explaining the Commission's role and mandate or providing guidance on how to submit complaints and requests. However, it is often the case that the serious problems brought to our attention by elected

officials and employees of local governments, regional service commissions (RSCs) and rural communities can only be solved through action by the Department of Local Government (the "Department").

The following recommendations are rooted in those discussions, as well as the Commission's own experience and observations.



Recommendation 1

Impose standardized pre-election training and mandatory post-election training for elected officials and senior officers / employees.

The Chair and her team have received many inquiries from staff and elected officials working in local governments and RSCs across New Brunswick. In many of these cases,

these interactions revealed a misunderstanding regarding both the general principles of local governance and the specific rules on topics ranging from code of conduct violations and conflicts of interest to budget requirements and *Right to Information and Protection of Privacy Act* provisions.

This confusion will continue to create avoidable expenses, conflicts and stress for elected officials, senior staff, and residents unless the Department considers providing standardized and mandatory education and training on key topics such as:

- Roles and responsibilities of elected officials and staff (which are different),
- Procedural by-laws,
- Closed meetings,
- Fiscal management, and
- Legislative interpretation

As local authorities adapt to their new realities after local governance reform, many need tools to help them build the capacity and knowledge required to operate effectively.

Other provincial governments across Canada provide optional and/or compulsory education and training aimed at strengthening and improving leadership, administrative and operational skills of local government councillors and staff. The Commission believes that such a program would be a great benefit to local governments and RSCs in New Brunswick.

It is therefore recommended that the Department:

- Provide pre-election standardized training for those wishing to run for local government council. Training should focus on the general principles of local governance and the roles and responsibilities of elected officials and staff.
- Amend the *Local Governance Act* to require mandatory training for all newly elected officials and senior officers/employees within six months of their election or appointment, as the case may be. Topics should include:
 - ◆ Code of conduct — including a section on harassment and bullying,
 - ◆ Conflicts of interest,
 - ◆ Roles and responsibilities of elected officials and staff,
 - ◆ Financial matters and requirements, and
 - ◆ *Right to Information and Protection of Privacy Act* requirements.

It is the Commission's opinion that in neither of the above cases should the Department adopt a "train the trainer" model whereby local government employees are tasked with training elected officials, as this would place staff in a difficult position given that councillors hold power over them, potentially compromising the integrity and effectiveness of the training. Rather, both groups — staff and councillors — should be provided with direct, specialized training on the topics listed above and any other matters the Department deems appropriate.

This requirement should be accompanied by sanctions for failure to complete the training within the time limit prescribed.

Recommendation 2

Add mandatory education/training to the list of sanctions the Commission may impose in cases of a violation of conflict of interest provisions or a violation of a code of conduct by-law.

Section 43 of the *Local Governance Commission Act* lists the sanctions the Commission may impose when it decides whether a member of a local government, RSC or rural district has acted in a conflict of interest or has breached a code of conduct by-law. As the situations that give rise to such breaches can stem from a lack of knowledge or experience on the part of those who have committed the violations, providing the Commission with the option to impose education/training seems logical. In addition, the *Code of Conduct Regulation — Local Governance Act* provides in subsection 6(1)(c) that local governments may in their code of conduct by-laws include a sanction requiring a member of council to "attend training or counselling as directed by council". As this sanction is available to local governments, it should also be available to the Commission.

Recommendation 3

Make regulatory changes to prohibit reprisals against complainants.

The Code of Conduct Regulation — Local Governance Act and the *Code of Conduct Regulation — Regional Service Delivery Act* should be amended to include a provision requiring that every local government code of conduct by-law include a prohibition on reprisals against a complainant for filing a complaint. This is especially important when it comes to protecting local government employees who bring complaints against elected officials.

Recommendation 4

Imposing a time limit on filing complaints.

To ensure fairness and efficiency in the complaint process, the Department should amend the *Local Governance Commission Act* to include a time limit for filing complaints. Imposing a time limit that begins when the complainant first becomes aware of the alleged violation would both ensure that investigations are based on reliable information and documents, are not dependent on outdated information, and protect respondents from undue prejudice caused by lengthy delays. This approach is common in complaint-driven processes mandated by legislation. Indeed, the province's *Human Rights Act* and *Limitation of Actions Act* include, respectively, one-year and two-year time limits for filing complaints/actions.

Recommendation 5

Adopt a policy whereby the Minister responds to recommendations by the Commission within 45 days.

The *Local Governance Commission Act* mandates the Commission to review and make recommendations to the Minister of Local Governance related to:

- restructuring requests, such as incorporations of new local governments, amalgamations, annexations, and decreases in the territorial limits of local governments;
- requests to amend the boundary of a regional service commission;
- regional service commission decisions relating to cost sharing for sport, recreation, and cultural regional infrastructure; and
- requests to amend or repeal certain local government by-laws.

There is no timeline in the *Local Governance Commission Act* or the *Local Governance Act* whereby the Minister must respond to the Commission's recommendations — an understandable omission since enacting recommendations will frequently require the Minister to bring legislative or regulatory amendments before Cabinet, where the speed of decision-making is not within the Minister's control.

However, the Department could adopt a policy whereby the Minister must respond to the Commission within 45 days to share whether they accept, or plan to act on, a given recommendation, and will thus follow through with the work required to enact it. This would provide clarity to the affected local authorities and their residents within a reasonable timeline, signaling a respect for the strong link between administrative efficiency and real-life impacts.



Recommendation 6

Provide the Commission with the authority to make recommendations to the Minister of Local Governance on whether sport, recreational or cultural infrastructure is regional.

The *Regional Service Delivery Act* allows RSC boards to decide whether specific sport, recreation, and cultural infrastructure (arenas, pools, and performance venues, for example) are regional in nature, providing a benefit to more local authorities than the one in which it was or will be built.

Only once a piece of infrastructure is deemed regional by the RSC can it then be the subject of a vote by the RSC board on whether its cost will be shared among several or all RSC members. If the infrastructure does not pass the first test (is it regional?), it never proceeds to the next test (are we going to share in its associated costs?).

While the Commission has the power to review a decision as to whether any or all members of a RSC must contribute to the cost, it currently has no authority to review the earlier decision as to whether the infrastructure is regional in the first place. Since the determination as to whether infrastructure is regional is tied to and forms the basis of the very consequential decision around whether to cost share, it is only logical that both decisions be subject to review by the Commission.

Recommendation 7

Remove the requirement for local governments to provide statements of conflicts of interest to the Commission.

Subsection 91(1) of the *Local Governance Act* provides that each member (councillor) of a local government must, on assuming office, “file a statement with the clerk disclosing

any actual or potential conflict of interest of which the member has knowledge, and the clerk shall then file the statement with the Local Governance Commission...” This provision fails to account for the fact that the Commission already has the power to require conflict-of-interest disclosure statements from a local government as part of an investigation. Moreover, requiring that these records be managed by the Commission compels the Commission to provide them under *Right to Information and Protection of Privacy Act* requests when such requests should be the responsibility of the applicable local government. In addition, the Commission has no enforcement mechanism for local governments who fail to provide the statements. Finally, there are very few local governments who have thus far complied with this requirement.

Recommendation 8

Expand the Commission’s existing authority to review boundary alteration requests to ensure the larger impacts of such requests are always considered.

The *General Regulation — Regional Service Delivery Act* provides that a resolution by a local government council or a vote of residents in a rural district is enough to conclude that there is sufficient local support for a boundary alteration requested by a member of a RSC. Meanwhile, the *Local Governance Commission Act* places the responsibility for determining whether there is sufficient local support on the Commission (section 54). This conflict must be resolved by expanding the Commission’s authority to determine the larger impact of requested boundary amendments.

For instance, it is reasonable to predict that removing one or more members from a RSC could result in a critical loss of tax base required to fund mandatory RSC services. This type of consideration is more appropriately the purview of the Commission than determining local support. Finally, such an amendment would continue to respect the local decision-making process.

Recommendation 9

Require an independent 7-year mandatory review of the *Local Governance Commission Act*.

Just as the *Local Governance Act* includes a provision that it be reviewed within seven years of its proclamation, the *Local Governance Commission Act* should also require a review as of 2031 to ensure the Commission's continued relevance as an expert independent body as well as a trusted and valued resource in dealing with the realities facing local authorities. Given the Commission's vital autonomous status, the review must be conducted independently.

Recommendation 10

Provide clarity to local governments and RSCs by enacting the following specific legislative and regulatory amendments at the earliest opportunity.

The following recommendations deal with specific changes that could be made to the *Local Governance Act*, the *Regional Service Delivery Act*, the *Local Governance Commission Act*, the *General Regulation — Regional Service Delivery Act*, the *Code of Conduct Regulation — Regional Service Delivery Act*, and the *Code of Conduct Regulation — Local Governance Act*. The amendments suggested here would provide clarification to local governments and RSCs and make the processes intended to help them more efficient. As the need for these amendments became obvious in the early weeks of the Commission's existence, they have already been shared with the Department of Local Government.

- a. Resolve the discrepancy between subsection 3.4(3) of the *Regional Service Delivery Act* and section 47 the *Local Governance Commission Act*. The *Regional Service Delivery Act* currently provides that an RSC MUST submit a report to the LGC even where there has been a unanimous decision that a any and all members are required to contribute to the cost of a piece of regional sport, recreation, or cultural infrastructure. However, the *Local Governance Commission Act* says only that the Commission MAY review a decision of the RSC. Since the Commission only has the power to review such decisions upon request, it is illogical and an unnecessary burden on the RSCs to require that they provide a detailed report to the Commission when all its members are in agreement. As it stands, the RSC must submit a report to the Commission regardless of whether the Commission will actually review it.
- b. The *Local Governance Act* should be amended within the relevant sections of Part 3 — Incorporation, adjustments, dissolution and first elections to add “boundary alterations” to the list that already includes incorporations, annexations, amalgamations and decreases in territorial limits.
- c. The *Local Governance Commission Act* should be amended to allow a quorum of the commission members to elect an acting Chair when the Chair and Vice-Chair are unable to act. The current provision requiring the Minister of Local Government to appoint an acting chair adds unnecessary procedural burden to an otherwise straightforward and short-term requirement.
- d. Under the by-law review provisions of the *Local Governance Commission Act* “land use” should be changed to “enjoyment of property” as “land use” is easily confused with land use as it is used and understood under the *Community Planning Act*.
- e. Although the *Local Governance Commission Act* provides a role for the Commission in recommending the appointment of trustees, the relevant provision in the *Regional Service Delivery Act* does not reference or mention the Commission, and should therefore be amended to reflect the role of the Commission.

- f. Amend the *Local Governance Commission Act* to specify that legislated timelines are measured in working (business) days rather than calendar days. Defining legislated timelines in this way would provide greater clarity for the public and proponents while aligning deadlines with the actual working conditions of both local authorities and the Commission.
- g. The *General Regulation - Regional Service Delivery Act* should be amended to provide that, where impact studies are required within requests for boundary amendments, the Commission be authorized to compel additional information from applicants, as the current provision only authorizes the Minister of Local Government to require additional information they consider relevant.
- h. The *Code of Conduct Regulation — Local Governance Act* and the *Code of Conduct Regulation — Regional Service Delivery Act* should be amended to ensure that the timelines set by local governments and RSCs for accepting code of conduct complaints under their code of conduct by-laws not be so restrictive (short) as to jeopardize complainants' ability to file complaints under the by-laws.





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