

JULY 9, 2025

COMMITTEE OF THE WHOLE REPORT

REPORT NO. CW-057-2025

MUNICIPAL ACCOUNTABILITY ACT

**CHRISTINA CONKLIN
COUNTY CLERK/MANAGER OF LEGISLATIVE SERVICES**

**AL HORSMAN
CHIEF ADMINISTRATIVE OFFICER**

RECOMMENDATION

This report is for information purposes.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report. Potential financial implications could include legal fees associated with complaints made to the Counties' Integrity Commissioner regarding breaches of the Council's Code of Conduct.

STRATEGIC INITIATIVES

This report aligns with **Pillar 4**, the foundation of the Counties' Strategic Initiatives, to operate a responsible government built on the strength of employees. By remaining informed regarding Provincial policy changes, Council and staff will have improved capacity to communicate with the public and internal audiences which aligns with **Goal 4.6**.

CLIMATE CHANGE IMPLICATIONS

Where possible, reports are provided in a digital format to reduce the Counties' carbon footprint.

ACCESSIBILITY CONSIDERATIONS

This report can be made available in alternate accessible formats on request.

The United Counties of Leeds and Grenville makes every effort to provide services in a manner that is inclusive, to ensure accessibility barriers are reduced or eliminated where possible.

COMMUNICATIONS CONSIDERATIONS

There are no direct implications to communications as a result of this report. The report will be on the Counties' website for public consumption.

The Province issued a public consultation survey regarding how to strengthen accountability surrounding municipal codes of conduct from April 15th to July 15th, 2021. Municipalities were invited to provide feedback through the online survey process during that period. The Association of Municipalities of Ontario (AMO) provided feedback to the Province regarding what was then Bill 241, specifically recommending amendments to the proposed legislation including the consensus threshold for the proposed removal from office as being too high and indicating progressive penalties should be necessary.

As of May 1, 2025, the Province of Ontario's website indicates the intention of further consultation and working with the municipal sector to develop the necessary regulations to support the changes made through the Municipal Accountability Act, if passed. Additionally, it is indicated that decisions about what is included in the standardized code of conduct will be made after consultations with the municipal sector which could include rules for ethical behaviour with respect to, for example, harassment and discrimination and training requirements for members of council and certain local boards. Details surrounding further consultation are not available at this time.

BACKGROUND

Changes to the Municipal Act, 2001, as amended by Bill 68 in 2017, require municipalities to establish codes of conduct for members of council and local boards. While not limited to the following, codes of conduct must include rules surrounding:

- Gifts, benefits and hospitality;
- Respectful conduct, including conduct toward officers and employees of the municipality or the local board;
- Confidential information; and
- Use of property of the municipality or local board.

A by-law cannot provide that a member who contravenes a code of conduct is guilty of an offence or is required to pay an administrative penalty.

Additionally, the Municipal Act, 2001, as amended, requires municipalities to appoint an integrity commissioner. Key responsibilities of the integrity commissioner include oversight of the municipality's code of conduct for members of council, committees and local boards, investigation of code of conduct breaches, providing advice and educational resources regarding ethical conduct, and reporting to council on activities and findings.

On May 1, 2025, the Province announced Bill 9, the Municipal Accountability Act, 2025, which reintroduces legislation originally proposed under Bill 241, which was not enacted prior to the Provincial election.

DISCUSSION/ALTERNATIVES

The Municipal Accountability Act, 2025, proposes changes to the Municipal Act to strengthen the integrity commissioner and code of conduct framework to:

- Allow for the creation of a standard code of conduct for all municipalities and require mandatory code of conduct training for members of council and certain local boards;
- Create a regulation-making authority to set out the municipal integrity commissioner investigation processes, including a complaints mechanism and reporting requirements;

- Provide a role for the Integrity Commissioner of Ontario to provide advice to municipalities and training to municipal integrity commissioners as well as review and conduct inquiries into all reports from municipal integrity commissioners recommending that a member be considered for removal and disqualification; and
- Establish a stronger penalty by creating a mechanism for members of council and certain local boards to be removed and disqualified from office for four years for serious violations of the code of conduct.

In order for municipal integrity commissioners and the Integrity Commissioner of Ontario to consider recommending removal and disqualification from office, the proposed legislation would require the following four criteria to be met:

1. The member has contravened the code of conduct;
2. The contravention is of a serious nature;
3. The member's conduct that is the subject of the inquiry has resulted in harm to the health, safety or well-being of persons; and
4. The existing penalties are insufficient to address the contravention or ensure that the contravention is not repeated.

The proposed legislation also allows for the Integrity Commissioner of Ontario to consider whether the contravention negatively impacts public confidence in the ability of the member to execute their duties and of the council or local board to fulfill its role, including by meeting its statutory obligations.

If passed, the Municipal Accountability Act would create a process to remove and disqualify members that allows for municipal integrity commissioners, should they find following investigation the criteria for removal and disqualification are met, make a recommendation of same to the Integrity Commissioner of Ontario. The Integrity Commissioner of Ontario would then be required to conduct an investigation to determine whether the criteria has been met and provide a recommendation to the municipal council the member in question be removed from their seat and disqualified from office for four years. All members of the municipal council who are not exempt would be required to vote on the matter. The only members who would be exempt from voting in this scenario would be the council member against whom the complaint was made or a member who declares a conflict of interest under the Municipal Conflict of Interest Act. The vote would need to be unanimous to remove a member from their seat and disqualify them from office for four years.

The report set out above has been reviewed and the information verified by the individuals listed below.

CHRISTINA CONKLIN
COUNTY CLERK/MANAGER OF LEGISLATIVE SERVICES

JULY 2, 2025
DATE

AL HORSMAN
CHIEF ADMINISTRATIVE OFFICER

JULY 3, 2025
DATE