



Accountability Report 2021–22

Municipal Affairs & Housing



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Accountability Report 2021–2022

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Accountability Statement

The Accountability Report of the Department of Municipal Affairs and Housing for the year ended March 31, 2022 is prepared pursuant to the *Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against the Department of Municipal Affairs and relevant sections of the Department of Infrastructure and Housing Business Plans for the fiscal year just ended. The reporting of the Department of Municipal Affairs and Housing's outcomes necessarily includes estimates, judgments, and opinions by department management.

We acknowledge that this Accountability Report is the responsibility of the Department of Municipal Affairs and Housing management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Municipal Affairs and the relevant sections of the Department of Infrastructure and Housing 2021–2022 Business Plans.

Original signed by:

Hon. John Lohr
Minister

Original signed by:

Paul LaFleche
Deputy Minister

Message from the Minister and Deputy Minister

We are pleased to present the Accountability Report for the Department of Municipal Affairs and Housing for fiscal year 2021-2022. This report highlights results and progress in meeting the priorities outlined in the department's business plan.

The mandate of the Department of Municipal Affairs and Housing is to promote responsible local government and support safe, sustainable, and inclusive communities – priorities that directly benefit Nova Scotians. To effectively contribute to strong and diverse economies, high quality of life, and affordable, adequate, and suitable housing for all, our department depends on the strength of our partnerships with stakeholders – from municipal units and the Government of Canada to community agencies and businesses. We thank all of our partners for working alongside us and for their commitment to making life in Nova Scotia better for all.

In 2021-22, the department created the Executive Panel on Housing in the Halifax Regional Municipality (HRM), to identify and remove barriers that are slowing down development in our largest city. We passed legislation last fall that allows Inclusionary Zoning and an inventory of provincially-owned land was established to identify sites that may be suitable for housing.

Additionally, we are working with both private companies and non-profit partners to create more affordable housing throughout our great province. A \$4 million investment was made to upgrade public housing units in Cape Breton, and a \$2.5 million Community Housing Growth Fund was created to issue community housing capacity building grants and work with non-profit groups, largely in HRM, to support deeply affordable housing units for vulnerable Nova Scotians.

We have invested \$35 million in response to the Quick Start recommendations of the Affordable Housing Commission and surpassed our target of creating 1,100 new affordable housing units, including 425 rent supplements. A provincial housing needs assessment, and an African Nova Scotian housing needs assessment are also both currently underway.

As promised, we doubled the Municipal Financial Capacity Grant and the Town Foundation Grant for 2021-22, giving an additional \$32 million dollars to municipalities and towns to help them provide the important services that residents rely on.

We have continued to leverage provincial and federal funding that has enabled significant investments in capital infrastructure across the Province. These investments will help strengthen Nova Scotia's potential for growth and contribute to ensuring sustainable and healthy communities for us all.

Amendments to the *Municipal Government Act* and the *Halifax Regional Municipality Charter* were made to require municipalities to follow a model code of conduct and allow municipalities and villages to conduct meetings virtually. Amendments were also made that will allow municipalities to take steps to increase availability of affordable housing.

The Emergency Management Office and Office of the Fire Marshall continues to assist municipalities across Nova Scotia by providing guidance on emergency management plans, advancing Next Generation 911 objectives, and supporting provincial fire and building safety programs and services.

We extend our deepest thanks to the staff of the Department of Municipal Affairs and Housing, who work tirelessly to help build healthy, safe, and inclusive communities for all Nova Scotians.

Sincerely,

"Original signed by"

Hon. John Lohr
Minister

"Original signed by"

Paul LaFleche
Deputy Minister

Financial Results

	2021-2022 Estimate	2021-2022 Actuals	2021-2022 Variance
Program & Service Area	<i>(\$thousands)</i>		
Departmental Expenses:			
Senior Management	1,005	1,056	51
Corporate Services, Policy & Innovation	1,829	1,728	(101)
Municipal Sustainability	198,783	284,978	86,195
Emergency Management Office	11,567	16,858	5,291
Housing	107,840	140,238	32,398
Total: Departmental Expenses	321,024	444,858	123,834
Additional Information:			
Ordinary Revenue	5	6	1
Fees and Other Charges	0	0	0
Ordinary Recoveries	144,193	191,778	47,585
Total: Revenue, Fees and Recoveries	144,198	191,784	47,586
TCA Purchase Requirements	450	397	(53)
Provincial Funded Staff (FTEs)	219.3	189.4	(29.9)
<u>Departmental Expenses Variance Explanation:</u>			
<p>Department of Municipal Affairs and Housing expenses were \$123.8 million or 38.6 per cent higher than the estimate due to increases of \$54.4 million for Canada Community-Building Fund (formerly Federal Gas Tax Fund) transfer to municipalities, \$31.1 million for the doubling of the Municipal Operating Grants, \$30.2 million to address the Nova Scotia Affordable Housing Commission recommendations, \$3.4 million for one-time volunteer emergency service provider fundraising grants, \$3.1 million in Disaster Assistance relief for the November 2021 Cape Breton floods, \$3.0 million for West Hants Regional Municipality infrastructure initiatives and \$2.0 million for Housings one-time emergency repair waitlist. These increases were partially offset by \$3.1 million for delays in Federal Infrastructure projects.</p>			
<u>Revenue, Fees and Recoveries Variance Explanation:</u>			
<p>Department of Municipal Affairs and Housing recoveries were \$47.6 million or 33 per cent higher than the estimate primarily due to increases of \$54.6 million for Canada Community Building Fund (formerly Federal Gas Tax Transfer) and \$8.3 million in Disaster Assistance relief for the November 2021 Cape Breton floods. These increases were offset by \$14.4 million for delays in Federal Infrastructure projects and \$1.1 million for the National Housing Strategy Program.</p>			
<u>TCA Purchase Requirements Variance Explanation:</u>			

Department of Municipal Affairs and Housing Tangible Capital Asset purchase requirements were \$53 thousand or 11.8 per cent lower than the estimate primarily due to changes in cash flows for the Municipal Affairs asset tracking project.

Provincial Funded Staff (FTEs) Variance Explanation:

Departmental FTEs were 29.9 lower than estimate due to delays in filling vacancies.

Measuring our Performance

Statement of Mandate:

On September 14, 2021, the Minister responsible for Municipal Affairs Housing received the following items in their mandate letters:

- Within the first 90 days of your mandate, prepare a timeline for completion of all tasks below over the next four years. The initial timelines are to be updated quarterly thereafter.
- Renegotiate the Memorandum of Understanding with the Municipalities.
- Include funding for municipal roads as an item of discussion when renegotiating the Memorandum of Understanding.
- Double the equalization payment for the first year, until a new Memorandum of Understanding can be reached.
- Work with the Housing Commission to implement the recommendations of the 2021 Affordable Housing Report.
- Develop a full inventory of lands owned and identify areas that could be used for housing. The inventory must be prepared within three months of coming into government so that the province can manage and keep track of the land it owns in a comprehensive accounting manner. This will also allow work to get underway immediately in determining best uses of those lands.
- Consider where land is available and where there is a need for housing stock: both affordable housing and general residential purchases.
- Within the first six months of your mandate, undertake a review of the Municipal Government Act and Halifax Regional Municipality Charter their size and scope, the concept of shared services and regional service authorities, with a goal of refining the delivery and governance model for all municipalities in the province.

In order to advance these mandate items, the Department of Municipal Affairs and Housing (DMAH) continued to promote responsible local government and safe, sustainable, inclusive communities. Through working with municipalities and other

partners, DMAH contributed to strong and diverse economics, high quality of life, and affordable, adequate, and suitable housing for all.

Core Business Functions/Areas:

DMAH delivered on the Minister's mandate through the following core business areas: Emergency Management Office and the Office of the Fire Marshall, Policy, Planning, and Advisory Services, Municipal Infrastructure, Municipal Finance, and Housing. Through these core business areas, DMAH built relationships with key community stakeholders, delivered programs, and provided advice around emerging issues in local government and housing across Nova Scotia.

Overview:

The Department underwent a reorganization of its divisions since the establishment of the 2021-22 Business Plans. The Honourable Iain Rankin was sworn in as the 29th Premier of Nova Scotia on February 23, 2021. Following a Cabinet shuffle on the same day, the Department of Municipal Affairs and Housing and the Department of Transportation and Infrastructure Renewal were altered to create the following departments: The Department of Municipal Affairs; the Department of Infrastructure and Housing; and the Department of Transportation and Active Transit. The Honourable Brendan Maguire was sworn in as the Minister of the Department of Municipal Affairs. Justin Huston was appointed as the Deputy Minister of Municipal Affairs.

The Honourable Geoff MacLellan was sworn in as the Minister of Infrastructure and Housing. Eiryn Devereaux was appointed as the Deputy Minister for the Department of Infrastructure and Housing. The Honourable Chuck Porter was sworn in as the Minister of Lands and Forestry and Energy and Mines.

Following the 41st Provincial General Election, the Honourable Tim Houston was sworn in as the 30th Premier of Nova Scotia on August 31, 2021. The Honourable John Lohr was sworn in as the Minister of Municipal Affairs and Housing, and Paul LaFleche was appointed as the Deputy Minister of the newly reformed Municipal Affairs and Housing.

Overview of Departmental Response to COVID-19

In response to the COVID-19 pandemic, DMAH supported communities, housing clients, and vulnerable Nova Scotians who were adversely impacted through the following contributions and accomplishments:

- The Department administered programs that provided provincial and federal funding to municipal and third-party projects.

- The Department developed reporting mechanisms and provided training to support municipalities in accountabilities for COVID-19 Safe Restart funding.
- The Department supported the ad hoc dissemination of leading best practices for public meetings to municipalities when requested.
- The Department allocated \$7.29M for Housing Authorities COVID-19 response activities (cleaning supplies, PPE, labour costs, etc.) to support tenant health & safety.
- The Department contributed \$4M to enable selected projects to access over \$20M in federal funding under the Rapid Housing Initiative (RHI) to help address urgent housing need in the context of COVID-19.

Overview of Departmental Advancement of Accessibility Initiatives

DMAH advanced and supported the following province-wide accessibility initiatives in 2021-22:

- The Department worked with the Accessibility Directorate and relevant municipal stakeholders to add a new staffing resource at the Association of Municipal Administrators of Nova Scotia to assist municipalities with their accessibility work.
- The Department continued to support the Accessibility Directorate in their on-going engagement with municipalities and relevant municipal stakeholders.
- The Department worked with the Department of Community Services to develop a Bulletin that will be sent to municipalities that supports the elimination of discriminatory zoning for small option housing.
- The Department partnered with the Departments of Public Works and Community Services to successfully leverage federal funding from the Investing in Canada Infrastructure program towards projects that promote accessibility and inclusivity.
- The Department provided investments for Public Housing units to be barrier-free and near-accessible.
- The Department prioritized new housing supply projects if they exceed code or adopt accessibility standards.

Departmental Outcomes for 2021-2022:

After having separate business plans for fiscal year 2021-22, DMAH has identified the following department-wide outcomes:

- The safety of Nova Scotians is enhanced through the coordination and collaboration of all stakeholders in prevention and mitigation, preparedness, response, and recovery.
- Nova Scotians have access to high quality and reliable 911 Service.
- Advance government strategic goal: *Safe Connected Communities – Affordable Housing*.

- Reduce the public housing waiting list.
- Ensure long-term sustainability of community housing.
- Ensure the most vulnerable populations are served.
- Increase supply of affordable housing.
- Leverage external (federal) funding.
- Achieve operational efficiency and effectiveness.
- Sustainable communities with diversified economies.
- A legislative and regulatory framework necessary to build and maintain healthy and vibrant municipalities.
- Municipalities are provided with the appropriate resources and advice to support financial capacity-building and provide effective local governance.
- Municipalities are easily able to leverage funding to support innovative projects and ongoing municipal infrastructure needs.

The goals and accomplishments for the outcomes noted above are as follows:

Policy, Planning, and Advisory Services:

The Policy, Planning and Advisory Services teams supports the Department by providing legislative and regulatory advice, as well as assistance, and training in areas of municipal administration and land-use planning. This division partners with municipalities, provides governance leadership on complex municipal issues, and plays a key role in maintaining the province's relationship with municipalities and villages in Nova Scotia.

Accomplishments:

- The Department amended the *Municipal Government Act* and the *Halifax Regional Municipality Charter* to require municipalities to follow a model code of conduct and allow municipalities and villages to conduct meetings virtually.
- The Department amended the *Municipal Government Act* and *Halifax Regional Municipality Charter* to enable the use of Inclusionary Zoning within their Municipal Planning Strategies.
- The Nova Scotia Federation of Municipalities (NSFM) ended their Joint Municipal/Provincial Roundtable resolution process, but DMAH is currently reviewing and working with NSFM on priorities, and these items will be addressed once the Memorandum of Understanding negotiation process is complete.
- The Department continues to advise and work with other departments in an effort to ensure that municipalities are engaged appropriately when government is considering initiatives that will impact our municipal partners. For example, we

continue to work with the Accessibility Directorate to identify challenges and opportunities for municipalities and villages across Nova Scotia with respect to accessibility. The Department provides expert advice to the Directorate regarding the resources that municipalities require, and how best to engage with stakeholders on a wide range of issues.

- The Department continues to work with the Department of Natural Resources and Renewables with respect to clean energy, the Department of Environment and Climate Change concerning regulations pursuant to the Coastal Protection Act, and have assisted Service Nova Scotia and Internal Services in disseminating information about grant programs for low-income Nova Scotians and seniors. These are just a few of the many examples of the ways in which the Department has supported other government entities in the previous year.
- The Department has been actively engaged in governance discussions across the province; most notably, in the County of Antigonish. The Department of Municipal Affairs and Housing has been supporting the Town of Antigonish and the Municipality of the County of Antigonish as they engage with their residents to discuss what a consolidation of the two municipalities would look like and what impacts, both positive and negative, it may have on residents. Through the Municipal Innovation Program, the Department provided some funding to assist in this regard. The Department has also provided background support to the Town and County as they gather information relevant to the decision-making process and explore issues related to service delivery (e.g., policing). The Department has also been actively engaged with the Village of Baddeck to ensure that it continues to operate in the best interests of residents.
- A Municipal Flood Line Mapping (MFLM) Document has been developed in collaboration with topic experts in academia, government and the private sector. It is composed of a guide for municipalities, technical specifications and a companion climate change standard. The guidance document helps municipalities understand how to secure appropriate consultants, what to include in an RFP, how they should collect supporting data and information and best practise for community engagement. The technical specifications set out the minimum requirements for data collection and modelling, while leaving flexibility for experts to choose the appropriate mechanisms and level of detail required for specific areas. The climate change standard sets the planning horizons, storm return periods, precipitation curves and sea level rise components to be considered. In 2022, we are testing how the documents work as it is implemented by five different municipalities in five different watersheds. The results of these studies will allow us to compare how flood mapping is carried out in a variety of

different watersheds with municipalities with a range of capacity. The comparison will help us improve the resulting final MFLM Document.

Emergency Management Office and the Office of the Fire Marshall:

The Emergency Management Office (EMO) administers a province-wide EMO operational program, including collaboration and support of Municipal emergency management capacity, Provincial 911 Service, Ground Search and Rescue, and the Disaster Financial Assistance Program. The Office of the Fire Marshal (OFM) collaborates municipally, provincially, and federally to advise on building and fire safety issues and provides government departments, municipalities, and the public with effective approaches for building fire safety in Nova Scotia.

Accomplishments:

- All municipal Emergency Management Plans were reviewed in 2021 and found to be in compliance with the Emergency Management Act. Work is continuing in 2022-2023 to support municipalities in enhancing their plans with a focus on building more resilient communities.
- EMO accepted the role of co-chair of the Federal/Provincial/Territorial Working Group on Critical Infrastructure in 2021. Implementation of the 2020-2022 national action plan for critical infrastructure is ongoing, and work has begun to rewrite the 2009 National Critical Infrastructure Strategy. In Nova Scotia, the Critical Infrastructure Resiliency Committee met three times and held a virtual tabletop exercise in May 2021 focused on a prolonged closure of the Canso Causeway.
- The EMO-911 Division continues to work towards meeting the timeline set by the Canadian Radio-Television and Telecommunications Commission (CRTC) for transitioning to Next Generation 911 (NG911). EMO-911 is currently developing and reviewing project deliverables, training assessment needs, stakeholder engagement materials, Public Safety Access Point (PSAP) assessments, procurement requirements, and National Emergency Number Association (NENA) standards and requirements for the NG911.
- OFM staff continues to provide expertise and guidance to provincial and municipal partners on codes, code interpretation and issues that arose through inspections.
- OFM supports the Departments of Public Works, Health & Wellness, and Nova Scotia Lands with code interpretations, building plan reviews, and inspection services on significant health care infrastructure projects across the province. The OFM also provided support to the Departments of Education and Transportation &

Public Works with code interpretations, building plan reviews, and inspection services on provinces investment in our schools.

- The OFM continues to support ongoing training for our Municipal Fire and Building Officials across the Province.
- The OFM also played an important role in a number of Provincial priorities, sharing their expertise in fire and life safety as well as the Codes.

Municipal Infrastructure:

The Municipal Infrastructure division negotiates, administers, and provides project advice on a variety of federal and provincial infrastructure funding programs.

Accomplishments:

- This past year, the Department provided for and administered multiple high-value capital funding programs to municipalities and third-party entities. In concert with program delivery, we also continued to provide advice, assistance and professional support to our clients, other provincial departments, and our federal partners. These capital funding programs include:
 - Federal Programs:
 - The Canada Community-Building Fund (Multi-Year)
 - Federal/Provincial Cost-shared Programs (Multi-Year)
 - Investing in Canada Infrastructure Program
 - Building Canada Fund – Small Communities Fund
 - Provincial Programs (Annual)
 - Beautification and Streetscaping Program,
 - Community Works Program
 - Provincial Capital Assistance Program
 - Flood Risk Infrastructure Investment Program
 - Municipal Innovation Program
 - Emergency Services Provider Fund.
- The Department has been active in its support for regional collaboration and modernization. The Department has been engaged in multi-faceted discussions with municipalities throughout the province. In addition to guidance and discussion, we continue to promote and offer financial support for regional initiatives through the Municipal Innovation Program.

Municipal Finance:

The Municipal Finance team provides advice and training for municipalities to promote and monitor municipal financial sustainability.

- The Municipal Financial Capacity Grant has been frozen for the past seven years. The Department doubled the Municipal Financial Capacity Grant and Town Foundation Grant in 2021-22, providing \$32 million to municipalities to help support crucial services for Nova Scotians.
- The Department used the Financial Analysis Cash Projection Tool (FACT) to generate financial projections and analyze various financial scenarios impacting municipal financial health of various municipalities and other DMAH divisions. The FACT continues to be refined by the Department to provide projections of municipal financial health. Training was provided to municipal partners on the FACT data used for analysis.

Housing

The Housing division develops, delivers, and administers housing programs across the housing spectrum in Nova Scotia. This includes operations and administration of provincially owned public housing rental properties, including repair and renewal, through the regional housing authorities; administration of rent supplements program; delivery of capital contribution programs to support rental housing preservation and expansion; programs to support low-income homeowners and first-time home buyers; and programs to support households or individuals at-risk of homelessness.

Accomplishments:

- Housing supported several Public Housing infrastructure improvements, including investments to repairs and renewal of public housing units, greening initiatives to ensure long term reduction in energy consumption, operating and maintenance costs and GHG emissions, and accessibility improvements.
- Many of the NS Affordable Housing Commission recommendations have been implemented, including \$35M in 'quick start' investments, the creation of the HRM Housing Task Force to remove barriers and expedite housing supply, and the launch of the housing supply and need assessment. The six-month [Progress Report](#) was issued January 2022.
- Housing provided several investments in 2021-22 for new affordable housing units, support for existing affordable housing units, repair programs for landlords, homeowners and seniors, and rent supplements to more households in need.
- Housing successfully met or exceeded targets under the National Housing Strategy 3-year Action Plan, which focused on preserving existing affordable housing, stabilizing the community housing sector and expanding strategic partnerships.

- Housing leveraged Federal funding projects under the Rapid Housing Initiative (RHI) to support deeply affordable housing for vulnerable Nova Scotians. This included a DMAH commitment of more than \$4M in capital and operating funding for RHI projects in 2021/22, including funding for Affordable Housing Association of Nova Scotia, Akoma Holdings, Nova Scotia Co-op Council and Soul's Harbour Rescue Mission.

Appendix A: Annual Report under Section 18 of the *Public Interest Disclosure of Wrongdoing Act*

The *Public Interest Disclosure of Wrongdoing Act* was proclaimed into law on December 20, 2011.

The Act provides for government employees to be able to come forward if they reasonably believe that a wrongdoing has been committed or is about to be committed and they are acting in good faith.

The Act also protects employees who do disclose from reprisals, by enabling them to lay a complaint of reprisal with the Labor Board.

A wrongdoing for the purposes of the Act is:

- a) a contravention of provincial or federal laws or regulations
- b) a misuse or gross mismanagement of public funds or assets
- c) an act or omission that creates an imminent risk of a substantial and specific danger to the life, health or safety of persons or the environment, or
- d) directing or counselling someone to commit a wrongdoing.

The following is a summary of disclosures received by the Department of Municipal Affairs and Housing.

Information Required under Section 18 of the Act	Fiscal Year 2021-2022
The number of disclosures received	0
The number of findings of wrongdoing	0
Details of each wrongdoing (insert separate row for each wrongdoing)	N/A
Recommendations and actions taken on each wrongdoing (insert separate row for each wrongdoing)	N/A

There were no Disclosures of Wrongdoing received by the Department of Municipal Affairs and Housing in 2021-2022.

Appendix B: Employment Equity Statistics for the Department of Municipal Affairs and Housing, 2021-2022

- DMAH Headcount, 2021-2022: 213.¹
- DMAH posted 34 competitions (job requests) in 2021-2022.
- DMAH received a total of 1,025 applicants for those job requests – 370 identified as employment equity applicants.
- Of those applications:²
 - 30 self-identified as Indigenous
 - 49 self-identified as African Nova Scotian
 - 72 self-identified as a Person with a Disability
 - 167 self-identified as Racially Visible Persons (Other than Indigenous)
- 39 offer letters were accepted in 2021-2022 for the DMAH competitions posted that fiscal year.
- Of those accepted job offers:
 - 10 offers were accepted by individuals who self-identified as employment equity applicants.

¹ This figure includes Full-Time and Part-Time Employees (as of April 1, 2022).

² Note that applicants can self-identify in more than one of the Employment Equity groups. If an applicant identified as Aboriginal and a Person with a Disability, they would be counted in each group. Also, Employment Equity applicants are not obligated to select which Employment Equity group(s) they identify with when applying for a competition. There are a number of Employment Equity applicants who did not select any Employment Equity group when they applied for a competition and as such, they are included in the total number of applicants who self identified but not in the above listed figures for the various Employment Equity groups.