

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 5

Halifax Regional Council
October 18, 2022

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Jacques Dubé, Chief Administrative Officer

DATE: October 11, 2022

SUBJECT: **Development of Budget and Approval Process for Halifax Regional Police
as it Relates to RCMP Inputs**

INFORMATION REPORT

ORIGIN

At the April 5, 2022, session of Regional Council, Council members unanimously passed two motions put forward by the Board of Police Commissioners THAT:

Halifax Regional Council:

1. Direct the Chief Administrative Officer provide a staff report for the purpose of developing an operational and capital budget review and approval process for the Halifax Regional Police, including public consultation and associated timelines, for the 2023/24 fiscal year in compliance with the Police Act.

2. Direct the Chief Administrative Officer provide a staff report regarding the Board's jurisdiction under the Police Act, including as it relates to the review and approval of the annual Halifax Regional Police budget proposal under Section 53 of the Police Act.

LEGISLATIVE AUTHORITY

Halifax Charter section 35 (1). The Chief Administrative Officer shall (b) ensure that the annual operating and capital budgets are prepared and submitted to the Council.

BACKGROUND

Current Operational Budget Review and Approval Process for Halifax Regional Police (HRP)

Annually, like all business units at the municipality, HRP receives a budget target from Finance & Asset Management in mid-October. Targets are completed before the Fiscal Framework direction is approved by Budget Committee. Based on the direction from Budget Committee, targets are adjusted accordingly. The objective of the targets is to determine the expected cost of the existing municipal services plus any Council-approved changes to services. The budget process starts with high level estimates which are continuously refined as additional information becomes available or decisions are made.

When creating the targets, finance staff start with the existing budget and layer-on changes. Finance reviews the following for the changes to apply to the target:

- Approved funding changes made by Regional Council throughout the year
- Approved positions throughout the year
- Compensation changes from collective agreements & other salary changes
- Quarter 2 Projections for each Business Unit
- External economic changes (such as inflationary pressures and fuel prices)
- Changes in expected revenues
- Updated service or supply contracts
- Operating costs for assets that came into service

Finance also reviews fiscal services including such items as debt costs, reserves, capital from operating, Deed Transfer Taxes, and property tax.

Once the cost of approved services has been estimated it is compared by staff to the estimated assessment base for the following year to analyze various tax scenarios. To lower an anticipated tax increase, staff may need to reduce costs across the organization. Business Units are often assigned an adjustment amount to find within their budget. Before target numbers are finalized Finance staff meet with each Business Unit to review their individual cost pressures and issues. Business Units are given 15 weeks to develop their budget. Finance staff are available to meet further during this time and discuss individual pressures and issues. Targets can be adjusted after they are issued, including after the Fiscal Framework is presented to Regional Council. Staff are regularly reviewing their assumptions and updating numbers to “tighten up” the budget numbers, reduce risk and prevent service disruptions.

If HRP cannot accommodate all its budget pressures within its budget target, the Chief of Police or their delegate(s) meets with the Chief Financial Officer (CFO, as the CAO’s delegate) to discuss the challenges; revised budget targets are developed and distributed following the meeting. HRP then builds its business plan and budget to the revised target and presents their business plan and budget to the Board of Police Commissioners (BoPC or ‘the Board’) in conformance to the *Police Act*. The BoPC does not possess the authority to approve HRP’s budget, however, it can recommend changes be incorporated and the budget be presented again. When BoPC is satisfied, it recommends HRP’s budget for approval to Regional Council’s Budget Committee during scheduled business plan and budget presentations.

Budget Committee deliberates on the overall HRP budget presented. In a situation where Budget Committee requests a change to the proposed HRP budget amount, HRP will revise accordingly and present the revised budget to BoPC where, upon hearing, recommend approval of the budget to the Budget Committee once more.

Opportunities for public consultation on the annual Police budget can occur through both the BoPC and the HRM Budget Committee. The public is invited to attend and offer input and feedback to the BoPC for consideration. The public is also invited to attend and provide input on HRP’s business plan and budget presentation to the Budget Committee, which is scheduled following the BoPC consultation.

Current Capital Budget Review and Approval Process for HRP

All capital investments for HRP are considered as part of the consolidated HRM capital planning process. Each HRM asset manager creates and maintains their own assessed list of projected infrastructure needs to support municipal services. HRP capital will be presented for Council debate, with all other HRM capital in January (not with the business plan). When Finance brings the HRP operating budget to BoPC this year, this will also include the capital overview in order to provide a complete view of police-related municipal expenditures.

Annually, the consolidated portfolio for all HRM divisions is evaluated against prioritization criteria which support Council's priorities, service delivery goals, and risk mitigation. Prioritized projects are then assessed by staff for implementation readiness to create an updated corporate 10-year Capital Plan. Currently, Regional Council approves a 1-year budget and approves in-principle years 2-4 of the capital plan to enable project readiness planning. Projects included in the 4-year capital plan all have assigned funding sources, either from confirmed external cost sharing agreements or from HRM, as approved by Regional Council as part the annual fiscal framework.

Projects do not move to budget approval until there is an adequate level of planning, detailed scope, and readiness to implement. Assigning level of priority, or level of investment value, for a project is a separate discussion from scheduling the optimal timeline for a project; priority does not equate to urgency. Consideration for scheduling integrates assessment of resource availability, potential project synergies or required coordination, stakeholder readiness, saturation, and disruption to impacted residents.

The Police Act provides that Regional Council is responsible for providing police service in the municipality. It can do that in a variety of ways, including a municipal police force, contracting with the RCMP, or some combination of both. Where it decides to have a police department it must also establish a Board of Police Commissioners. The Act provides that Council, after consultation with the Board, determines the composition of the department in terms of the number of members, including sworn officers and civilians (Section 37 (1)). That authority has financial implications, given the extent by which the budget and increases thereto are driven by salaries and the provisioning of members.

At the same time the Act provides budgetary responsibility to the Board (Section 53 (1)) – “The board shall annually cause the chief officer to prepare a budget for the police department.” On a plain reading of the legislation that budget would include both capital and operating expenses. The Board is then to review that budget to ensure it is consistent with its legislative functions and submit it to Council for approval. The Police Commission Bylaw P-100 (section 8 (2) (e)) provides that the Board “may...prepare and submit in consultation with the Chief of Police and the Chief Administrative Officer or delegate, to Council an annual budget for the municipal police service.” The Bylaw provides that Council “shall only exercise global budget approval and shall only accept the police service budget submitted to it by the Board or refer it back to the Board with instructions that it be altered upward or downward by a specific amount or percentage.”

Current Operational Budget Review and Approval Process for Royal Canadian Mounted Police (RCMP)

As with HRP, the CFO meets with DoJ/RCMP in mid-late October to discuss budgetary pressures for the purposes of formulating a budget estimate. Unlike HRP, the RCMP budget estimate remains confidential pursuant to Provincial/Federal budget processes and contractual negotiations. The budget estimate is held in Fiscal until budget approval RCMP presents a business plan on the same day as HRP to BoPC on shared goals and objectives of the integrated policing model, but it does not present its budget at that time. Instead, the RCMP and DoJ present their budget to Budget Committee separately from HRP, however, typically on the same day. Should circumstances require the DoJ to present the budget in confidence, an in-camera session of Budget Committee is convened.

The RCMP is a contracted service through the Nova Scotia Department of Justice (DoJ) to HRM and therefore does not follow the same process as HRP. Regarding the budgeting for services provided by the

RCMP through the Province, there is nothing in the [Police Act](#) that references either the Board of Police Commissioners or Council involvement in budgeting, other than the general ability of Council to provide policing services in various ways. The [Police Commission Bylaw P-100](#) (Section 8, subsection 3 (e)) provides that the Board “may... in consultation... with the Office in Charge, or their delegate, the Attorney General or their delegate meet in respect to financial planning having regard to the number of members and support staff required by the Halifax Detachment for the following year or five year plan.” There is no mention of the CAO or their delegate in the Bylaw provision. However, a Memorandum of Understanding from 2001 signed by the Chair of the Commission, the Municipality, and the Officer in Charge of the Halifax Detachment of the RCMP, repeated the Bylaw provision concerning financial planning but adding in the CAO or their delegate (Attachment 1).

DISCUSSION

Issues with Current Budget Processes

For HRP, Council can be presented with a budget recommended by the BoPC with increases based largely on staffing increments without Council having considered the issue of the staffing composition. With Council only having the option under the bylaw to approve or reject the budget on a global basis, it must send the budget back to the BoPC if it does not agree with the proposed staffing. Because the approval is on a global basis, Council’s direction concerning staffing cannot be directly communicated to the BoPC and the BoPC must extract from Council’s debate in order to resubmit an appropriately revised Budget. Further, the capital expenses should be part of the Budget reviewed by the BoPC and comes forward to Budget Committee, arguably, to be fully compliant with the Police Act.

For the RCMP, Council should have a direct role in determining the number of officers and supporting staff for the Halifax District, with the consequential budgetary implications.

Finance & Asset Management have worked with DoJ/RCMP and HRP to document an agreed-upon process for the 2023/24 Business Planning and Budget. This process is contained in (Attachment 2). A meeting with BoPC will be scheduled for November 2, 2022, to provide an overview of this report and answer any questions BoPC might have relative to their authority under the *Police Act*.

The public consultation schedule will be provided at that time.

Planned 2023/24 HRP Operational and Capital Budget Review and Approval Process

Staff has developed a proposed Budget and Business Planning schedule that would accommodate a two-meeting approach, incorporating public consultation at Budget Committee. Meetings with BoPC will be convened prior to scheduled Budget Committee dates to allow for BoPC review of HRP’s proposed staffing plan and budget and would include public consultation as well. This review schedule will be provided at the October 25 Budget Committee meeting and aligns with the two-step process outlined below.

The Police Act, s.35 provides that the Municipality is responsible for the provision of policing services and s.36 provides the manner in which Council can provide those services, including by the establishment of a police department or use of the RCMP, The Police Act, Section 37 (1), states that Council, after consultation with the Board, determines the composition of the municipal police department. Section 53 states that Council also provides approval for the police budget, as presented by the Board. Budget can be taken to include both capital and operating expenses as the Act does not distinguish between these. By-law P-100 provides that Council may exercise only ‘global budget approval.’ However, Council should be able to determine both the size of the police department budget and approve staffing levels, including the costs incurred on the basis of the staffing decision.

To facilitate the approval of staffing and budget decisions related to the HRP budget, Council could consider a two-step process:

1. As an initial step, the Chief and Finance, on behalf of, or including the CAO, would prepare a staffing proposal for review by the BoPC. That proposal would be submitted by the BoPC to Council for a decision as the consultation, or as part of the consultation with the BoPC, required by s.37(1) of the legislation. Council would then decide on any changes to the staffing complement, which would facilitate the budget process.
2. The second step of the process follows Section 53 (1), whereby the Chief and Finance would then prepare the budget based on the staffing decision for review by the BoPC and submission to Council. Given that the decision on staffing will have already determined most proposals for budget increases, this should greatly reduce the potential for confusion, or the budget being returned to the BoPC.

The budget process and schedule that has been developed could accommodate two meetings of HRP and Council, each preceded by a Board of Police Commissioners meeting.

Proposed 2023/24 RCMP Budget Review and Approval Process

By-Law P-100 does not specify who decides the budget or staffing levels for RCMP, only that the Board may meet and discuss this information. Sections 35 and 36 of the Police Act could be interpreted as giving authority to Regional Council to determine the staffing levels (and by consequence the budget) for RCMP in service of the municipality. Council may wish to consider an amendment to existing legislation to make this authority clearer.

A similar process to that for the HRP could be followed for the RCMP, whereby the RCMP presents to the BoPC their staffing proposal for the following year, which the BoPC would review with the CAO and submit to Council. Council would then decide on the size of the staffing. Alternatively, the RCMP could present their staffing proposal directly to Council as there is no reference in the Police Act to BoPC involvement in the RCMP budgeting or staffing process. The costing that follows – reliant on the negotiations between the Province and the Federal Government, over which the Municipality has no control – would be determined according to the negotiated rate.

Within the next few weeks, Finance staff will be bringing a recommendation report to Halifax Regional Council with the proposed 2023/24 budget process incorporating the above changes, for Council's review and approval.

FINANCIAL IMPLICATIONS

There are no financial implications resulting from this report.

COMMUNITY ENGAGEMENT

There are no community engagement requirements.

ATTACHMENTS

Attachment 1 – Memorandum of Understanding – HRM & BoPC & RCMP (26-11-2001)

Attachment 2 – HRP Budget Process (with Department of Justice and RCMP input)

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Michael Pappas, Acting Director, Corporate Planning & Performance, Finance & Asset Management 902.476.4696

This Memorandum of Understanding made this ^{26th} day of November 2001 and effective the 21 day of September 1999.

Between:

HALIFAX REGIONAL MUNICIPALITY,
a municipal Body corporate

and

**BOARD OF POLICE COMMISSIONERS
FOR HALIFAX REGIONAL MUNICIPALITY**

and

**PROVINCIAL POLICE SERVICE
(ROYAL CANADIAN MOUNTED POLICE -
HALIFAX DETACHMENT)**

APPROVED
AS TO FORM

Municipal Solicitor

Whereas the Halifax Regional Municipality ("HRM") is responsible for the policing and maintenance of law and order within the Halifax Regional Municipality ("the Municipality") and for providing and maintaining an adequate and effective police service at its expense in accordance with its needs;

And Whereas HRM has determined to discharge its responsibility to ensure adequate and effective police service through a combination of methods;

And Whereas HRM has created and appointed the chief and members of the Halifax Regional Police (HRP) to provide policing services to a portion of the Municipality and has contracted with the Province of Nova Scotia to provide policing services to the remainder of the Municipality through Provincial Police Service (PPS) as provided by the Royal Canadian Mounted Police (RCMP);

And Whereas this Memorandum of Understanding is intended to establish and clarify the governance, reporting, advisory and liaison duties and roles of the Halifax Regional Board of Police Commissioners (the "Board"), the Chief Administrative Officer (the "CAO"), the Halifax Regional Police, the Chief of Police, and the Provincial Police Service, to ensure that adequate, effective and efficient policing services are maintained with HRM.

BOARD OF POLICE COMMISSIONERS

1. The primary function of the Halifax Regional Municipality Board of Police Commissioners is to provide civilian governance in regards to strategic policy planning and policy driven budget planning for police service delivery within the communities serviced by the Halifax Regional Police and an advisory role in respect of police matters within the communities serviced by the Provincial Service.

2 (a) The Board in accordance with the *Police Act* and HRM Bylaws may carry out any of the following roles and responsibilities:

- (i) co-ordinate public planning process as it relates to community oriented police response to community issues;
- (ii) provide civilian governance on behalf of council in relation to enforcement of the law, the maintenance of law and order and the prevention of crime within the municipality;
- (iii) in consultation with the Chief of Police, review priorities, goals and objectives of the municipal police service;
- (iv) oversee and ensure the provisioning of the municipal police service in the areas of accommodation and material as deemed necessary;
- (v) prepare and submit in consultation with the Chief of Police and the Chief Administrative Officer or delegate, to council an annual budget for the municipal police service. The municipal council may only exercise global budget approval and may only accept the police service budget submitted to it by the board or refer back to the board with instructions that it be altered upward or downward by a specific dollar amount or percentage;
- (vi) ensure compliance with Nova Scotia Police Act code of conduct;
- (vii) make rules respecting standards, guidelines and policies for the administration of the police service and for the efficient discharge of duties by the employees;
- (viii) carry out any studies or investigations respecting its civilian governance responsibilities;
- (ix) monitor gender, ethnic and minority group issues and making recommendations concerning these matters to the Chief of Police;
- (x) ensure that community needs and values are reflected in policing goals and methods;

(xi) act as a conduit between the community and the police service providers.

(b) The Board, in accordance with the *Police Act* and Halifax Regional Municipality Bylaws, may carry out any of the following roles and responsibilities as they relate to the RCMP Halifax Detachment:

- (i) by consulting with the Officer in Charge to develop and implement the policing objectives, priorities and goals;
- (ii) Requiring the Officer in Charge of the Halifax Detachment of the RCMP to attend all meeting of the Board of Police Commissioners, and other meetings as required by the Board, in order to provide information pertaining to operational and administrative status of the Halifax Detachment of the RCMP; such consultation shall occur as and when required but not less than quarterly;
- (iii) requiring the Officer In Charge to an annual report, by March 31 of each year, on the status of the implementation of HRM's objectives, priorities and goals relating to the Halifax Detachment's policing responsibilities within its prescribed territorial jurisdiction in the HRM during the previous fiscal year;
- (iv) requiring the Officer in Charge to provide monthly or more frequently if deemed necessary the Board of Police Commissioners the details of any new or outstanding internal disciplinary matter in respect of those members of the RCMP who carry out policing functions within Halifax Detachment;
- (v) by requesting as required information relating to any policies, directives or practices of the RCMP on matters such as information on organizational initiatives within the RCMP, the public complaint process, the processes dealing with discipline and poor performance of members of the RCMP, recruiting processes in general, and as they relate specifically to visible minorities; transfer policies for RCMP members and any other programs as may from time to time be of interest to the Board;
- (vi) in consultation or with their delegate consult with the Officer in Charge or his or her delegate, the Attorney General or his or her delegate meet in respect to financial planning having regard to the number of member and support staff required for Halifax Detachment for the following fiscal year or five year plan.

CHIEF ADMINISTRATIVE OFFICER

3. The Chief Administrative Officer or delegate will liaise with the Provincial Police Service and the Minister of Justice as per such terms and conditions, including financial arrangements, as may be agreed upon between HRM and the Minister of Justice.
4. The CAO or delegate may carry out independently, and/or liaise with or in conjunction with the Province as a service provider any strategic and/or business planning review within the context of business practices that reflect the goals of efficient, effective and economical service delivery of law enforcement, crime prevention and policing within the Municipality. The findings of the planning reviews shall be submitted to the Minister of Justice and the Board for consultative review and to HRM Council for funding and implementation approval.
5. The CAO or delegate in consultation with the Board may carry out and not be limited to the following strategic and/or business planning reviews such as: Communication/Dispatch services; Information/Record keeping technology; population trends, growth patterns, business development and economical growth and their impact on policing service delivery; recruiting and training; policing business practices and the external governmental factors that impact on these practices; policing governance within and external to HRM; and costing models of police service delivery. The findings and recommendations shall be submitted to the Minister of Justice if they impact directly on the Provincial Service Agreement (1992).

CHIEF OF POLICE

6. The Chief of Police shall, as the senior police manager within HRM, report to the CAO or delegate on police service matters pertaining to their development, planning and implementation as directed by the Chief Administrative Officer, required in providing for efficient, effective and economical municipal police service delivery.
7. The Chief of Police shall, as the senior police manager within HRM, advise the Board with respect to the provision of efficient, effective and economical municipal police service and may in consultation with the Board undertake in a timely manner, research, strategic planning, policy development and implementation and the reporting of results, in response to inquiries by the Board pertaining to its community governance responsibilities, generally categorized as:
 - (a) providing an effective community voice on matters pertaining to policing;
 - (b) civilian review of police service delivery;
 - (c) ensuring the quality of police service delivery by evaluation processes;
 - (d) keeping generally informed of policing operations; and

- (e) insuring police personnel are accountable to civilian authority.

HALIFAX REGIONAL POLICE

8. The geographic service boundary of the Halifax Regional Police shall be the territorial boundaries of the former cities of Dartmouth and Halifax and the former Town of Bedford on March 31, 1996 or as may be amended from time to time pursuant to the Terms of Reference for a Business Planning Review of Police Service Delivery as approved by HRM Council.

9. The HRP shall consist of a Chief of Police and such other officers, assistants and civilian employees as the HRM Council through the Chief Administrative Officer or delegate may from time to time deem necessary.

10. The HRM Council shall on the recommendation of the CAO appoint a person to be the Chief of Police of the HRP.

11. The Chief of Police shall have the power to appoint, promote, suspend, dismiss and reinstate all members, special constables, by-law enforcement officers and civilian employees of the HRP.

12. The Chief of Police shall provide day to day direction of the HRP with respect to the enforcement of law and the maintenance of discipline within the area of the Municipality over which the HRP has jurisdiction.

13. The Chief of Police and the officers of the HRP are charged with the enforcement of the penal provisions of all the laws of the Province and the Municipality and any penal laws in force within the Municipality within the area of the Municipality over which the HRP has jurisdiction except as otherwise directed by the Nova Scotia Police Act or any other enactment or by the Minister of Justice.

PROVINCIAL POLICE SERVICE

14. The geographic service boundary of the Provincial Police Service shall be the remainder of the Municipality not coming under the jurisdiction of the HRP.

15. The responsibility of the Provincial Police Service shall be carried out by the Royal Canadian Mounted Police - Halifax Detachment.

16. The Officer in Charge of the RCMP - Halifax Detachment shall be responsible for the operations, policies and functions of the police service under the Officer's direction and a member of the RCMP while acting as a member of the Provincial Police Service shall, subject to the terms of the Provincial Police Agreement, be under the Officer's direction.

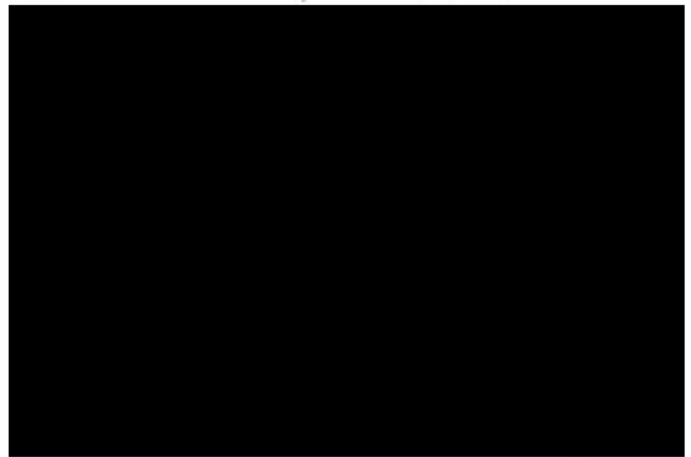
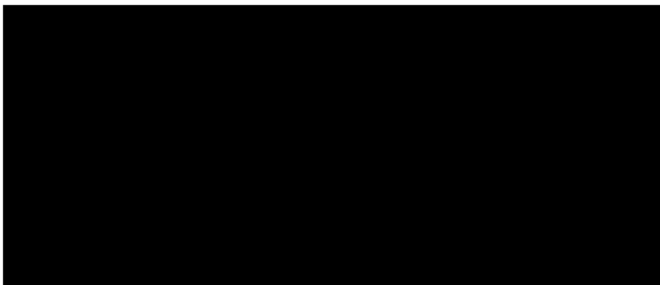
LEGAL EFFECT OF MOU

23. This Memorandum of Understanding is not written or entered into as a formal or legally binding agreement, but is only a definite expression and record of purpose and intention of the participants, to which each pledge themselves.

This MOU having been executed by the property signing officer of the respective parties hereto, the day and year first above written having been approved by the Regional Council of the Halifax Regional Municipality the 21st day of September, 2001.

Execute In the Presence Of:

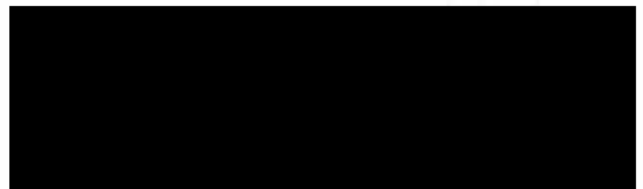
HALIFAX REGIONAL MUNICIPALITY,



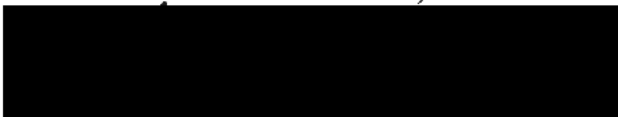
**BOARD OF POLICE COMMISSIONERS
FOR HALIFAX REGIONAL MUNICIPALITY**



Chairman



**PROVINCIAL POLICE SERVICE
(ROYAL CANADIAN MOUNTED POLICE -
HALIFAX DETACHMENT)**



Officer In Charge

