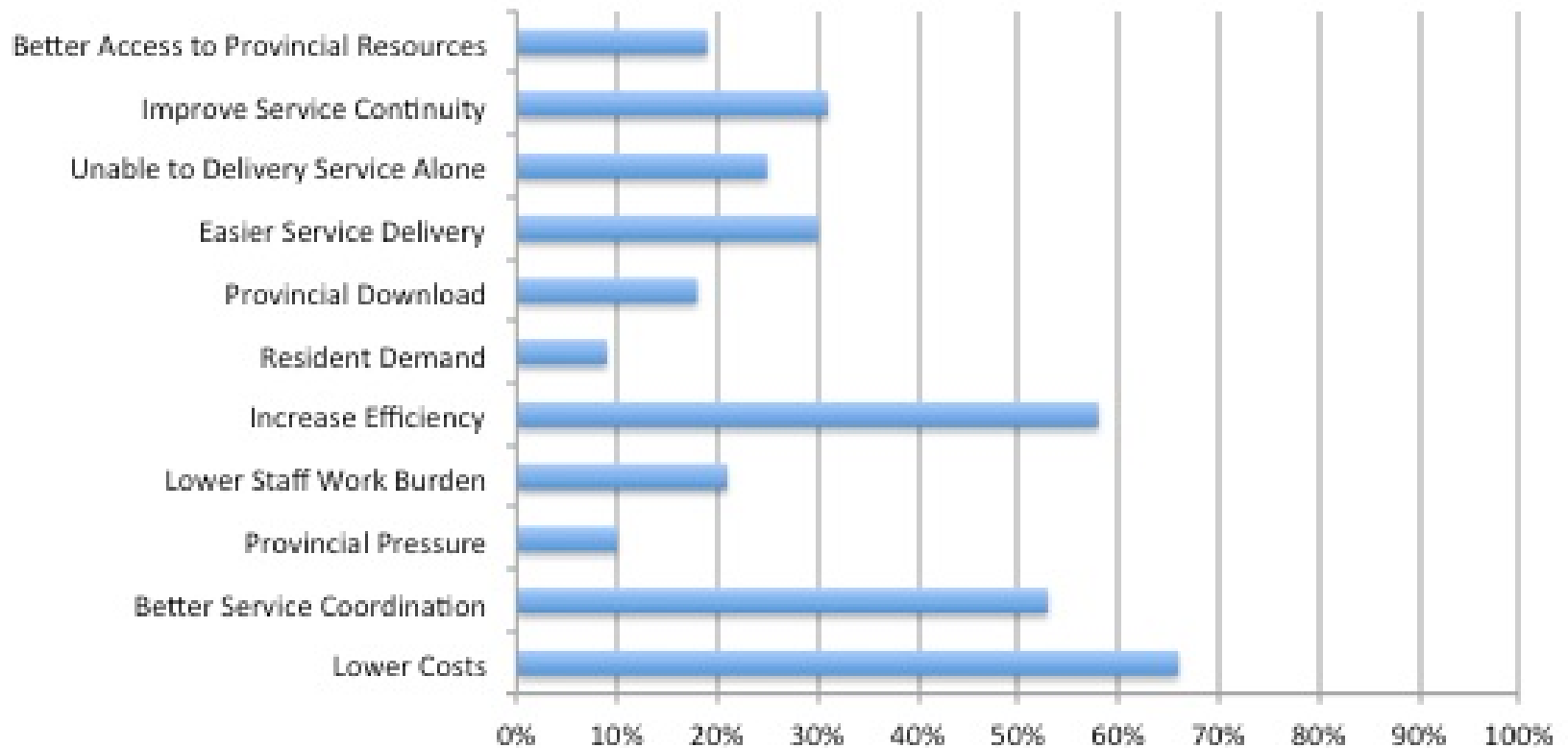# Finding Common Ground: Inter-Local Cooperation in Canada
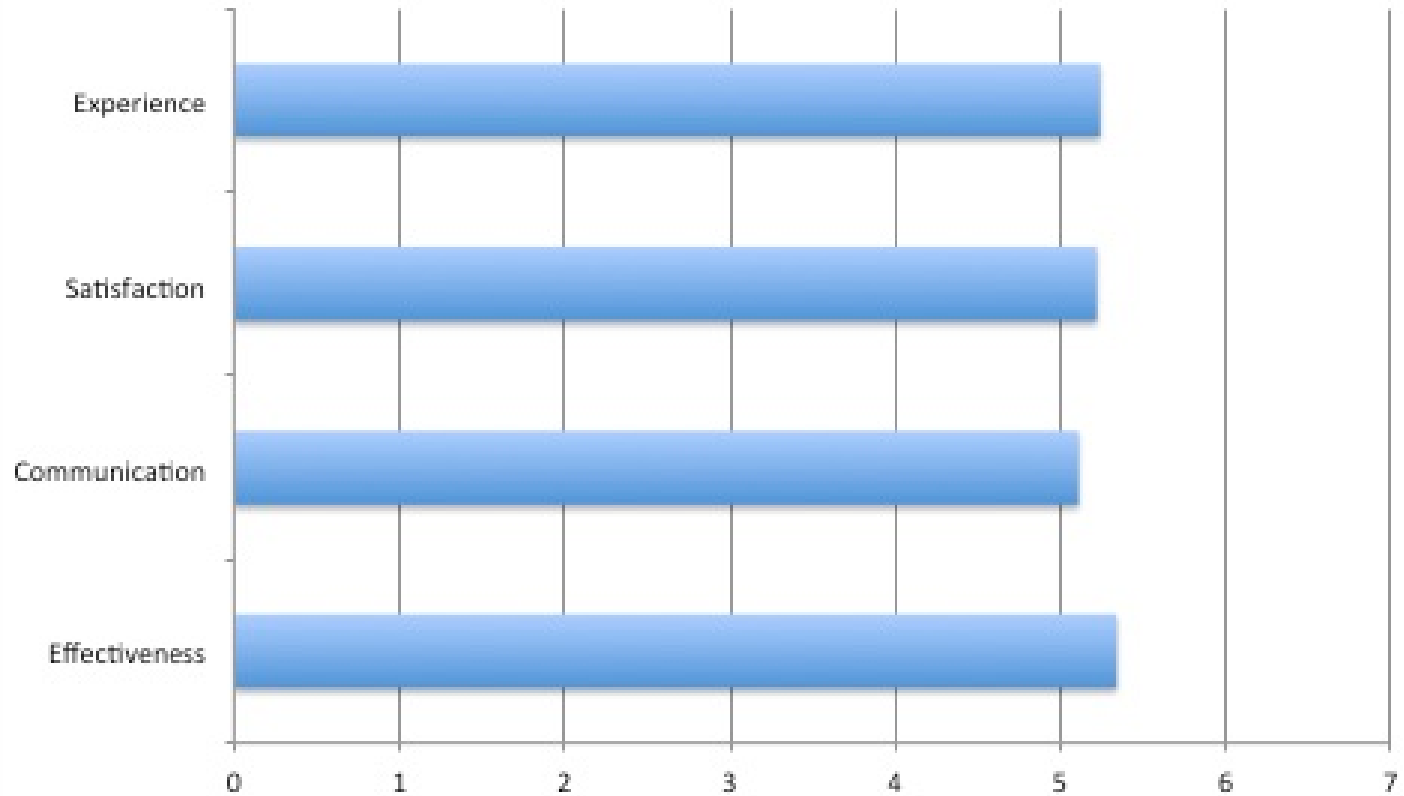
Institute on Municipal Finance and Governance

May 29, 2017
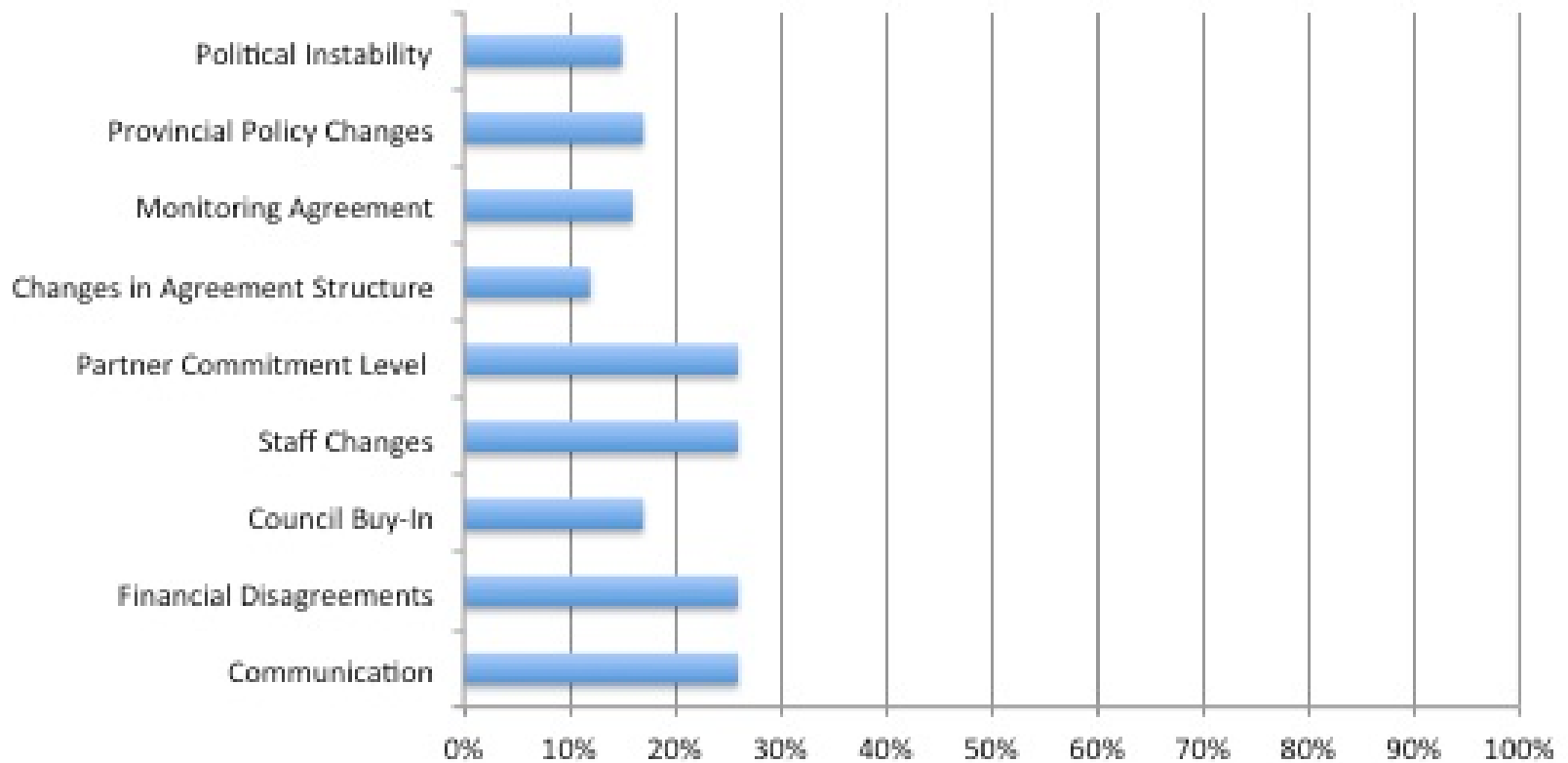
Motivation for Cooperation

Motivation	Percentage
Better Access to Provincial Resources	~19%
Improve Service Continuity	~31%
Unable to Delivery Service Alone	~25%
Easier Service Delivery	~30%
Provincial Download	~18%
Resident Demand	~9%
Increase Efficiency	~58%
Lower Staff Work Burden	~21%
Provincial Pressure	~10%
Better Service Coordination	~53%
Lower Costs	~66%

Average Experience Rating

Cooperation Challenges

Challenge	Percentage
Political Instability	~15%
Provincial Policy Changes	~17%
Monitoring Agreement	~16%
Changes in Agreement Structure	~12%
Partner Commitment Level	~26%
Staff Changes	~26%
Council Buy-In	~17%
Financial Disagreements	~26%
Communication	~26%

CMA	Gov. Units	Population	Land Area	Pop. Density	Agreements
Toronto	27	5,583,064	5,905.71	954.4	130
Winnipeg	10	730,018	5303.09	137.7	15
Saskatoon	24	260,000	5,214.52	50.0	11
Regina	16	210,556	3,408.28	61.8	13
Edmonton	31	1,159,869	9,426.73	123.0	153
Calgary	9	1,124,839	5,107.88	237.9	30

Agreements by Policy Area
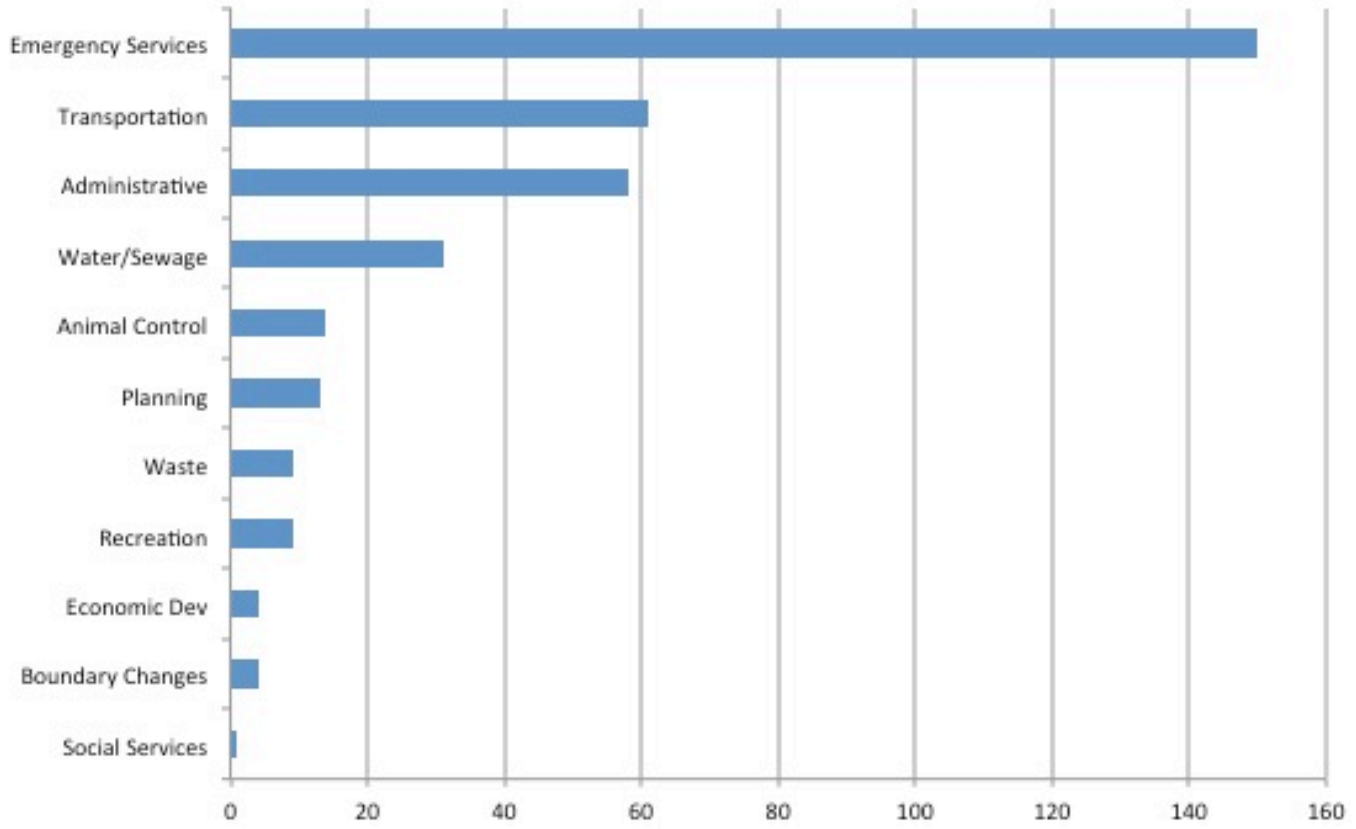
Accountability and Transparency Gaps in Inter-Local Collaboration

Zachary Spicer

Brock University

Inter-Local Cooperation

- By most accounts, inter-local contracting and service sharing is increasing
  - Seen as a way of increasing service quality, avoiding duplication and maximizing local resources

Inter-Local Cooperation

- Raises a number of questions related to accountability and transparency in local servicing
    - How involved is the public in creating these agreements?
    - How aware is the public about the source of servicing within their communities?
    - How committed are municipal officials to providing services outside their jurisdiction by contract?

Inter-Local Cooperation

- Accountability and transparency gap
  - Inter-local cooperation shifts traditional lines of decision-making, reducing fiscal and servicing transparency, ultimately leaving residents in the dark about the source of local servicing and blurring the chain of fiscal and administrative accountability

Inter-Local Cooperation

- Challenge for public policy makers: ensuring accountability while also providing the flexibility needed to ensure meaningful cooperation and the ability to innovate in service provision

Accountability in Theory and Practice

- Accountability is meant to promote democratic control, compliance and continuous improvement in the use of public authority and resources

Accountability in Theory and Practice

- <u>Transparency:</u> Collecting information and making it available and accessible for public scrutiny

- <u>Answerability/Justification:</u> Providing clear reasoning for actions and decisions

- <u>Compliance:</u> Monitoring and evaluation of procedures and outcomes

- <u>Enforcement/Sanctions:</u> Imposing sanctions for shortfalls in compliance, justification or transparency

Accountability in Theory and Practice

- Holding agents to account requires a supply of information about their actions
- This needs to be intelligible, accessible, accurate and sufficient

Accountability in Theory and Practice

- "Multiple accountabilities disorder" in multiple-level and inter-governmental relationships
- Accountability requires a "locus of authority" that inter-governmental relationships often lack

Accountability in Theory and Practice

- Governance Assessment Tool (GAT)
  - Introduced by Skelcher, Mathur and Smith (2005)
  - Used to measure the democratic performance of partnership governance in the UK

Accountability in Theory and Practice

Public Access

Internal Governance

Member Conduct

Accountability

Accountability in Theory and Practice

- Ex. Member Conduct
  - 1. Is there a code of conduct to regulate the behaviour of members at board meetings?
  - 2. if there is a code, are board members required to agree to be bound by it?
  - 3. is there a register in which board members can detail their financial and other interest?
  - 4. Is there a system for declaring conflicts of interests at meetings?
  - 5. Is there a procedure for ensuring that members declaring conflicts of interests take no part in the decision?

Accountability in Theory and Practice

- A modified GAT
  - Scale from 0 to 1 (1 if a criterion is met, 0.5 if partially met and 0 if not met)
  - 3 dimensions: Public Access, Internal Governance, Accountability

Accountability in Theory and Practice

- Public Access
  - Are agreements available to public?
  - Are provisions made to have public meetings?
  - Is the public entitled to see performance reports?
  - Is a contact provided in the agreement?
  - Is the public entitled to see meeting minutes?

Accountability in Theory and Practice

- Internal Governance
  - Does the agreement specify a role for each partner?
  - Are meetings scheduled?
  - Are there written standards for communication?
  - Are there written standards for budgeting?
  - Are written meeting minutes required?

Accountability in Theory and Practice

- Accountability
  - Does the partnership have to prepare an annual report?
  - Does the partnership need to prepare an annual budget?
  - Is the partnership subject to external audit?
  - Does the partnership describe who represents each community?
  - Does the partnership describe who is financially responsible for service delivery?

Toronto

- Toronto Census Metropolitan Area
    - 27 municipal governments
    - 5,583,064 people (2011)
    - All agreements signed between 1995 and 2013
    - 132 agreements

Toronto

- Poor documentation
- Limited understanding of mechanics of each agreement
- Low level of accessibility

Toronto

- Of the 27 municipalities in the GTA, only 8 provided copies of their agreements at request

- 19 required an FOI

- Only 2 provided documents within 30 day requirement

- Average number of days to complete request: 96

Toronto

Public Access				
A1	**A2**	**A3**	**A4**	**A5**
0.58	0.02	0.00	0.23	0.02
Internal Governance				
B1	B2	B3	B4	B5
0.90	0.07	0.40	0.34	0.00
Accountability				
C1	**C2**	**C3**	**C4**	**C5**
0.07	0.44	0.02	0.60	0.99

Toronto

Category	Average
Public Access	0.85
Internal Governance	1.7
Accountability	2.11
Total	**4.66**

Improving Accountability and Transparency

- Agreements should be improved
- Should make it clear who is responsible for which actions and clarify how decisions are reached
- Public contacts should be made available
- Minutes should be made available for meetings
- Clear budgeting should be required
- Each agreement should be subject to external audit

Improving Accountability and Transparency

- Too many do not have ready access to shared services agreement

- These agreements should be available on municipal websites

INTERLOCAL COOPERATION