

# Improving the Regional Service Commissions in New Brunswick Final Report

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Michael McKendy

March 28, 2017

## Letter of Transmittal

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Hon. Serge Rousselle, Q.C.  
Minister of Environment and Local Government  
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Dear Minister Rousselle,

I am pleased to present to you my final report entitled “Improving the Regional Service Commissions in New Brunswick”. This is in fulfillment of my undertaking with your Department to arrange and facilitate a consultation process to engage experts in municipal governance and representatives from municipalities and local service districts to improve the Regional Service Commission (RSC) model.

Through the three-phase exercise, almost 300 people were consulted and were open and generous in providing their perspectives on the progress of the RSCs to date and how they can be improved and advanced. There are numerous recommendations in my report aimed at bringing the RSCs to the next level in their evolution. It is clear to me that they will play an increasingly essential role in the fabric of local government in New Brunswick.

In particular, it was a pleasure and honour to participate with you during the first phase of the consultations, which involved a series of 12 workshops with the Boards of Directors of the Regional Service Commissions. It was evident that local government leaders have learned the effectiveness of the commissions, through which regional communication and co-operation can be enhanced.

Finally, I would like to note the exceptional support and assistance of staff of your department, in particular Martin Corbett, Lisa Harrity and Jennifer Thompson, who were invaluable in helping organize the numerous workshops and associated tasks.

Yours sincerely,



Michael McKendy

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## Introduction and Background

The Regional Service Commission model was introduced in 2013 with the coming into force of the *Regional Service Delivery Act*. This new model established the Regional Service Commission (RSC) as a vehicle to provide services and facilitate co-ordination and planning on a regional basis in New Brunswick. This initiative saw the establishment of 12 regions in the province with the creation of a Regional Service Commission for each. They became responsible for the provision of common services on behalf of their constituent communities, and for the identification of other opportunities for service provision to members on a voluntary basis. They are also responsible for facilitating and promoting intercommunity planning, co-operation and discussion. This new model was a significant new component of the local government structure in New Brunswick and an important government policy initiative.

It has been four years since the new Commissions came into being. A significant amount of work was accomplished, beginning with the integration of the former Solid Waste and District Planning Commissions under the new, unified framework. In addition, each RSC has begun to identify and act on its own particular priorities and projects.

There have been growing pains in these new organizations, particularly in bringing together a Board of Directors with representatives from all communities within the region. Understanding the responsibilities and operation of the RSC, and appreciating the varying perspectives of the different communities has caused some tensions and uncertainty but, as will be pointed out later in this document, the power of bringing community leaders to the same table with equal footing has been inspiring.

So while much has been achieved over the past four years, the Province of New Brunswick feels that it is timely to take a close look at the Regional Service Commissions with a view to strengthening the model, and helping prepare the RSCs to potentially take on greater responsibilities and services on behalf of their member communities. Indeed, a component of its platform, government stressed that it is committed to “...***working with experts in municipal governance and representatives from municipalities and local service districts to improve the regional service commission model.***”

## **Process**

In fulfillment of this commitment, the Department of Environment and Local Government engaged the author of this report as Project Consultant to define, organize and lead the consultation process; to gather such information as deemed necessary to inquire into the current and potential future state of Regional Service Commissions, and to produce a report with observations and recommendations to improve the Regional Service Commission model in New Brunswick.

The consultation exercise was devised so as to allow for a wide range of input, particularly from elected and appointed officials directly and indirectly connected to the Regional Service Commissions. The consultation exercise was conducted in three phases.

### ***Phase 1 - Minister's workshops with Boards of Directors of Regional Service Commissions***

The Minister of Environment and Local Government, Hon. Serge Rousselle, invited the Boards of Directors of each of the RSCs to one of 12 regional workshops. These interactive workshops, one in each region, were intended to allow Board members an opportunity to reflect on the progress made to date in their RSC and consider what changes and improvements could be made to strengthen the model.

The workshops were held between September 22 and October 27, 2016. In advance of the workshops, a series of questions was sent to all invitees as a means of focusing discussion. Attendees were invited to consider and discuss these questions. In most sessions, break-out groups were established to allow for a more intimate setting for discussions. In all cases, full and rich dialogue occurred.

In total, 150 Board members attended the sessions, which amounts to almost 85% of the entire Board membership of all the RSCs. There was free and frank discussion, and numerous common themes emerged. It was evident that the Board members welcomed the opportunity to reflect on the RSC model and offer suggestions for changes and improvements for the future.

A summary and compilation of the perspectives shared by the Board members during these sessions was prepared and provided to the four municipal associations for their distribution to their members.

A summary of responses and suggestions is attached as Appendix A.

### ***Phase 2 – Direct Interviews/Discussions with Provincial Government Program Managers***

As assigned, the Project Consultant initiated a series of one-on-one interviews with certain provincial government project managers who have regular and direct connections with the Regional Service Commissions by virtue of the programs they manage.

The following table shows the Department and program area which formed this component of the consultation exercise:

<b>Department</b>	<b>Program Area</b>
<b>Environment and Local Government</b>	Land Use Planning Water and Wastewater Services Environmental Services Local Service District Administration Climate Change
<b>Justice and Public Safety</b>	Office of the Fire Marshal Policing Services NB Emergency Measures Organization
<b>Tourism, Heritage and Culture</b>	Recreation and Sport
<b>Opportunities New Brunswick</b>	Economic Development

The information and feedback from the various provincial officials interviewed was invaluable in identifying specific program-related recommendations and expectations from those officials whose responsibility areas impact RSCs and local government generally.

### ***Phase 3 – Regional Workshop Series with Provincial, Regional and Local Officials***

In order to add substance and precision to the feedback and commentary received from the Minister’s workshops, the next step was to invite a wide range of administrative executives who have some direct or indirect involvement with the Regional Service Commissions to one of a series of six workshops. The purpose of the workshops was to “drill down” into the valuable information received from the 12 Minister’s workshops and come up with concrete and more detailed suggestions for improving the model.

The six workshops included senior staff of the RSCs, municipal administrators, and provincial government employees who interact with the RSCs on a regular basis. At these workshops, participants were asked to consider the suggestions made at the Minister’s workshops and offer advice as to their risk, benefit and fit with regards to the Regional Service Commissions.

Invitees to the workshops included:

- Senior Municipal Administrators (CAO, Clerk, and/or Development Officer)
- Regional Service Commissions (Executive Directors and Senior Managers)
- Municipal Associations (Executive Directors or other Staff)
- ELG (Local Services Managers and Regional Directors)
- Fire Marshal’s Office (Fire Marshal and Regional Fire Marshals)
- Tourism, Heritage and Culture (Consultants)
- Opportunities NB (Economic Development Officers)
- EMO (Regional Co-ordinators)

The purpose of these day-long sessions was to allow the participants to consider a series of service opportunities which emerged from the Minister’s workshops, and to provide more detailed feedback on future potential areas of RSC involvement and prioritization. These sessions also allowed participants to consider the complex stakeholder environment in which RSCs operate, and comment on how relationships and communication between the RSC and stakeholders can be enhanced.

In total, 125 people attended one of these six sessions with the distribution as follows:

RSC Personnel	Provincial Program Managers	Municipal and Rural Community Executives	Total
29	38	58	125

In advance of the sessions, all registered participants were provided with a catalog of 20 new or expanded services, responsibilities, and opportunities which could be considered for the RSC (See Appendix B). They were assembled based on input from the Minister’s Workshops and interviews with service specialists.

With the aid of a real-time engagement and assessment technology, each of the 20 “opportunities” was presented to the participants in turn. Participants were then asked to evaluate each opportunity against a predetermined ranking matrix. Participants were each equipped with a device to record their opinion as to the “benefit”, “risk” and “fit” of each item. Appendix C shows the overall compiled results of all sessions.

The second exercise provided participants with an opportunity to consider the complex relationship environment within which the RSCs operate. Understanding the nature of the various stakeholders, what they expect of the RSC, and what their information/communication needs are, is important in maximizing the ability of the RSC to provide a solid and effective

framework for communication, co-operation and effective service delivery. Through the use of break-out groups, participants were presented with a possible stakeholder model which they were asked to validate. As well, participants were asked to suggest communication tools and strategies which will enhance the RSC relationship with stakeholders.

## What Was Heard

It was evident that all participants welcomed the opportunity to participate in an inclusive exercise to allow them to help shape the future of local government in New Brunswick. Participation was sincere and frank. This is a testimonial to the level of commitment of the local government leaders in New Brunswick.

Generally, most Board members commented favourably on the new RSC model. There was an acknowledgement in certain areas that the transition to the RSC was sometimes difficult and the path unclear. There also remains some uncertainty; however, there is continuing increase in comfort with the RSC. Having said that, there was almost universal agreement that bringing community leaders together under a structured and enduring forum has led to greater mutual understanding, increased knowledge of their neighbouring and regional communities and a higher level of trust among the communities. Communication, understanding and co-operation were words often expressed, even if there remains work to be done and improvements to be made.

The model for the RSCs, as set out in the *Reginal Service Delivery Act*, was deliberately constructed to be flexible in its application and allow each region to figure out the priorities and needs of their region. A few “mandated” services are required of each Commission but in addition, RSCs have wide latitude in deciding their own approach and direction. And while this “one size does not fit all” approach is supported by the Boards, there appears to be a yearning for more specificity and direction from the Province. This may appear to be somewhat contradictory but perhaps is in keeping with the overall provincial/municipal framework in New Brunswick that local leaders are accustomed to a defined legislative framework and assignment of responsibilities dictated by the Province. The challenge, of course, is to provide sufficient direction and guidance so as to provide clarity and predictability, but with enough flexibility to allow for local and regional options and self-determination.

There was significant criticism of the local government structure, in particular in relation to local service districts (LSDs). In some way, every one of the 12 sessions called for, at the very least, some adjustment to the structure in LSDs. Perhaps the bringing together in one forum of municipal and LSD community leaders was the spark that ignited the quest for a higher level of



representation in LSDs. While the new RSC “equalizes” the role of the mayor and LSD chairs in discussions and decision-making at the Board level, there is still a feeling of a lesser status on behalf of the LSD representatives in that their method of election and selection does not provide for a similar level of legitimacy compared to their municipal counterparts. Province-wide it appears clear that, at the very least, changes to the election process for LSDs is wanted.

Additional dimensions of the perceived deficiencies in the structure of local government in addition to the issue of representation include:

- **Wide-spread criticism of the property tax regime:** The perceived fuzziness of the differing property tax regimes as applicable to local service districts versus municipalities is a continued source of frustration and mistrust between residents of incorporated and unincorporated areas. The current regime does not appear to be able to answer the question as to whether or not citizens are paying their fair share!
- **Fractured and illogical local structure:** The number of municipalities and LSDs and the configuration of their boundaries does not suggest a rational local government model. As has been expressed in previous studies of local government, there is a feeling that there are too many units that do not reflect broader communities of interest and some smaller municipalities in particular are not able to provide cost-effective governance and service delivery.
- **Lack of self-determination in LSDs:** While some members were content with the current role of the Minister in providing oversight and administration of LSDs, more were frustrated by the lack of control over their destiny and, while not wanting the trappings of a full-fledged municipality, do want additional powers of self-determination.
- **Weak capacity of smaller municipalities:** Some smaller municipalities are frustrated by their inability to offer a comprehensive range of services at reasonable cost. This sentiment may speak to the opportunity for RSCs to offer service “packages” to communities on an “a la carte” basis.
- **Insufficiency of funding for local government:** There was a general complaint about lack of funding, whether it be own-source funding or provincial support. This was expressed often when discussion about expanded or additional services in RSCs was brought up. Almost universally, there would be a caveat that supportive funding should be attached to new responsibilities. On the other hand, there was often an acknowledgement that the regionalization of services and co-ordination under the RSC model has and can save money and achieve economies of scale.

While these observations and criticisms may extend beyond the limits of examining improvements to the Regional Service Commission model, they have inescapably become part of the discussions and obviously front of mind on the part of community leaders

Finally, there was a notable lack of clarity in regards to regional planning. While the *Regional Service Delivery Act* obliges RSCs to prepare a regional plan, it provides little direction as to what it should contain, how it should be administered, and how it should be applied. When asked about regional planning during the workshop sessions, participants invariably spoke positively about the perceived benefits of regional planning. However, they rarely spoke about the form and function it should take on. Clearly, there is lack of precision and consistency in their views on regional planning but they appear willing and indeed, in some cases anxious, to embark on what is anticipated by some as a process to further bind the region. Before Commissions embark on regional planning, there is considerable work to be done to provide a clear, consistent, and practical framework.

Participants in the sessions offered many comments and suggestions about how the RSC model was working, where it needed adjustment, additional opportunity areas and service responsibilities, and where it should go in the future. Many themes were repeated across regions while others were discussed only in certain regions of the Province. There was much commonality and little dissent.

Participants in the Minister's workshops touched on additional potential service areas but were not asked to critique or analyze the appropriateness or advantages of considering these as potential future responsibility areas for RSCs.

In addition to the overall commentary above, a number of recurring observations and recommendations were expressed at a number of the Minister's workshops including:

- The RSC has been successful in fostering greater collaboration and communication;
- At least some improvement was noted in one or both of the services of Solid Waste Management or Land Planning;
- Regional recreation is an important role for RSCs;
- RSCs could play a role in co-ordination of fire services;
- RSCs could play a role in co-ordination of policing services;
- Regions should have some capacity for economic development, and
- The RSC role in regional emergency measures co-ordination is uncertain.

## Some Design Features and Principles

In digesting the valuable feedback received through the three phases of consultation, a number of principles and design features are outlined below to help frame a next chapter in the evolution of the Regional Service Commission model.

### ***The Regional Service Commissions are an essential element of local governance in New Brunswick.***

While there may have been some uncertainty and misgivings when the RSCs were first established, it is clear that they are fulfilling their role as an essential common service provider and vehicle for inter-community co-operation and communication. Increasingly, as RSCs identify more opportunities for enhanced and cost effective service delivery, they will be seen to be a service provider of choice, particularly for smaller communities.

### ***NB Regions are different - One size does not fit all.***

It was often repeated throughout the phases of the consultation exercise that the needs, desires and priorities of the various regions are often quite different. Elected and appointed officials often expressed their feelings that the RSC model should offer flexibility in allowing individual regions to identify and react to the needs and challenges of their own communities and region.

### ***Provincial leadership and encouragement are expected.***

While elected officials value the level of autonomy and independence they enjoy as local and regional leaders, they do expect strong leadership and support from the Province. There may be a certain balancing act to provide provincial direction, vision and leadership, while allowing regions to exert their own response to priorities and challenges. Local leaders don't want to be abandoned; they want clear and consistent direction as well as support from the Province. In addition, they want appropriate tools (legislative, financial and administrative) to allow them to react to their regional needs and priorities.

### ***Communities need to be supported and enhanced.***

The fabric of local government in New Brunswick continues to include numerous small municipalities which, by their size, as well as their demographic profile and fiscal capacity, sometimes struggle to provide good levels of service at a reasonable cost. In addition, the continued phenomenon of numerous unincorporated local service districts, covering a large geographic proportion of the province, with limited self-governance and administration, paints a picture of weak capacity at the local level.

Until and unless significant strides are made at full municipalisation, and so long as smaller, local units and LSDs continue to exist, there is a belief that they need to be supported and have opportunities to sustain themselves. The RSC can play an important role in filling in for a lack of direct capacity by providing services and support on a voluntary, pay-for-service basis. As well, the consultative forum that is an important facet of the RSC continues to shore up the ability of smaller communities to participate with their larger neighbours.

***Representation needs to be strengthened.***

While the new RSC model brought representatives of both local service districts and incorporated municipalities and rural communities together at the same table, there remains a notable and persistent imbalance in how the respective members represent their communities. Each mayor sits on the Board of Directors, having been elected in the democratic process of the quadrennial municipal election and can therefore bring issues back and forth between their municipality and the RSC. However, LSD representatives do not have the same sense of legitimacy; the Board representatives are selected on an “at large” basis through a selection by peers. They also do not have direct access to their constituents, nor to a direct decision-making process for their LSD.

This situation begs for adjustment to bring some greater level of autonomy and representation in local service districts.

***Accountability and transparency should be enhanced.***

One of the objectives in the creation of the RSCs four years ago was to increase accountability and transparency in the delivery of regional services. Accountability certainly has been enhanced with the creation of the RSCs. Having said that, maximizing accountability and transparency should be a basic objective in any change and adjustment to the RSC model.

## **Analysis and Recommendations**

Having had contact with almost 300 municipal elected officials, LSD representatives and municipal, regional and provincial administrators, the following section is an analysis of the opinions and feedback received and includes a series of recommendations which respond to this input.

***Prescriptive versus Permissive Approach to Assignment of Responsibilities***

The current *Municipalities Act* and associated acts and regulations trace their origins back to the Equal Opportunity era and lay out, in some specificity, service and administrative responsibility areas in which municipalities are directed or allowed to participate. It is

understood that one of the objectives in the current revamping of municipal legislation is to make the legislation more permissive and to broaden the powers of municipalities to operate within their allocated spheres of jurisdiction.

The *Regional Service Delivery Act*, being a more recent and modern piece of legislation, is far more permissive and sets out three “common services” which are obligatory, as well as areas of collaboration and consultation. Generous powers are bestowed on the RSC in terms of how to provide those services, including establishing and charging fees for services, entering into agreements for the provision of services, and contracting with third parties.

There was often comment in the Minister’s Workshops that the Province should establish a clearer vision and direction for RSCs. While there is merit in providing a clearer framework within which certain responsibilities are to be carried out, succumbing to a more prescriptive approach to defining what’s in or out of the RSC domain would ultimately be doing the RSC a disservice.

While certain recommendations in the section below will provide clarity and certainty to responsibility areas for RSCs, it is NOT recommended that a prescriptive approach to legislative authorization be taken, but that an enabling approach be continued to the extent possible.

### ***Services and Responsibilities***

While all RSCs have achieved their legislative assignment in assuming responsibility on a regional basis for solid waste management and land use planning, many have begun to venture into additional areas of service delivery, consultation, or study. The permissiveness of the legislative framework allows for these areas to be explored and pursued. Nonetheless, there is a certain desire on the part of Boards as well as administrators for provincial endorsement and support for these emerging areas of involvement.

A detailed examination of 20 opportunity areas was undertaken and evaluated in the second series of six workshops as described earlier in this report. A number of these opportunities were not considered to be of significant benefit or “fit” in the RSC model, and have not been included in the following discussion. Those areas which in the workshop analyses were considered to be of sufficient benefit, chance of success, and fit, have been organized into three categories.

#### **I. Protective Services**

##### **a. Co-ordination of Fire Services**

The New Brunswick Fire Marshal, who attended all six administrative workshops, made a compelling case for greater co-ordination and regional support for existing fire services through a formal co-ordination role under the RSC. He cited high profile fires in other

provinces where lack of co-ordination between fire services, lack of training, and other factors, led to tragic results.

With a view to ensuring efficient and cost-effective fire protection services, the RSC could play a lead role in assessing current and future fire protection service needs/priorities in the region, identifying more strategic and cost effective future equipment purchases (trucks, clothing, general equipment, etc.), and examining ways in which volunteers can be supported, recruited and retained. Reviews of service coverage and mutual aid agreements on a regional basis could also be conducted to ensure the most rational and effective use and distribution of resources.

There has also been concern expressed about a perceived lack of transparency and cost containment of the fire service. Co-ordination could extend to financial oversight and or management.

**Recommendation #1: It is recommended that the Office of the Fire Marshal, in consultation with RSCs, develop a model for co-ordination of fire services at the RSC level, and that this model become mandatory for all Regional Service Commissions.**

b. Police Advisory Functions

A number of RSCs have established Police Services Advisory Committees with a view to forging a stronger connection with the RCMP. They have reported success through regular meetings with the local/regional detachments. There may be an opportunity to strengthen this Committee concept by giving it greater responsibilities to not only liaise with the RCMP, but to look at the provision of police protection over the entire region. This could include consideration of alternative service delivery models including inter-force co-ordination, shared services, or even the feasibility of a regional police force.

RSCs have a much broader and stronger sphere of influence and can look at more options for effective and efficient delivery of policing services that may meet the broader needs of the region. RSCs can provide a vehicle where communities, currently under the overall contract, can have greater influence in the priorities and performance plans of the RCMP.

**Recommendation #2: It is recommended that each RSC establish a Police Advisory Committee to improve communication with police departments in the region, and to advise on public security priorities of communities and the region.**

c. Emergency Measures Planning

The *Regional Service Delivery Act* mandates that the RSCs provide a consultative forum for discussions around regional emergency measures planning. While the legislation comes short of prescribing that the commissions take action beyond the provision of a forum for discussions, it would seem to imply that there is an expectation of concrete results in regards to this obligation.

While each municipality is obligated to have an emergency response plan, and similarly for the Minister on behalf of LSDs, some RSCs have actively become involved in the co-ordination and facilitation of a regional emergency measures plan, while others have not. Those RSCs that have taken an active role report great success in the resultant regional plan, which should include better co-ordination of resources and activities between communities.

**Recommendation #3: It is recommended that the *Regional Service Delivery Act* be amended to make it mandatory for RSCs to participate in the elaboration and maintenance of regional emergency measures plans.**

**Recommendation #4: It is recommended that NB Emergency Measures Organization establish uniform, province-wide policies and procedures for the elaboration of regional emergency measures plans, including specifying the role that the RSCs are to play in the development of those plans.**

d. Climate Change Adaptation

The issue of climate change and its impacts are at the forefront of discussions throughout the country. The involvement of our communities and regions in efforts to deal with and prepare for climate change impacts is critical. In its final report, the Select Committee on Climate Change has recommended that the provincial government “*conduct climate change adaption planning at a regional scale and empower regional service commissions to co-ordinate this exercise.*” Furthermore, the Select Committee recommends that government “*make the preparation and implementation of climate change adaptation plans mandatory for local and municipal governments that apply for provincial infrastructure funding.*”

A number of RSCs are currently involved to varying degrees in climate change adaptation studies. Such studies may involve an examination of current and future climate trends in the area, mapping exercises (flooding, erosion, damage from ice storms, storm surges), determining vulnerabilities, identifying potential solutions, and identifying tools that address/limit the risks.

The RSCs would have the lead responsibility to determine risks, identify potential solutions, and facilitate implementation. In doing so, the RSCs would work with member communities, non-governmental organizations, educational institutions, as well as the provincial and federal governments, to ensure climate change resilience.

**Recommendation #5: It is recommended that the RSCs be established as the Climate Change Adaptation Responsibility Centres, and that Climate Change adaptation plans be required as a component of the Regional Plan.**

**Recommendation #6: It is recommended that Environmental Trust Fund dollars be earmarked to assist RSCs to develop a framework for adaptation plans as well as development of such plans.**

**Recommendation #7: It is recommended that a new category of mandated services be added to the Regional Service Delivery Act entitled “Protective Services”, and that the above-noted areas be mandatory for all Regional Service Commissions. Costs associated with these new Mandated Services would be shared across all the municipalities, rural communities and LSDs within the RSC.**

## II. Regional and Community Economic Development

### a. Recreation Co-ordination

Having access to a variety of recreation opportunities is increasingly being seen as essential if communities are to thrive and attract/retain residents and businesses. In addition, recreation service accessibility is a key ingredient in ensuring healthy lifestyles for all segments of the population. Through strong support from the Department of Tourism, Heritage and Culture, RSCs have begun to play an active role in assessing recreation needs, and identifying ways in which communities can work together and share resources. Opportunities exist to strengthen recreation access, make investments in recreation infrastructure in a more strategic manner, and build co-operation between communities in this field.

Working with current municipal recreation staff and provincial recreation consultants, a number of RSCs are or will soon be playing an active role in identifying recreation needs (programs and infrastructure), better co-ordinating sport and recreation programs and initiatives between communities, building consensus for infrastructure needs, and facilitating cost-sharing agreements (capital and operating).



**Recommendation #8: It is recommended that the Department of Tourism, Heritage and Culture continue to provide and enhance if possible, developmental funding in support of regional recreation initiatives.**

b. Economic Development

Since the abandonment of the former Enterprise Networks, many municipalities feel they have lost their capacity around economic development. As well, there is no direct access to expertise, co-ordination, and assistance available to LSDs. In the recent Strong Regions consultation and Summit, many community leaders expressed their desire to become re-engaged in some way in economic development by at least having access to expertise and experience. Again, in the recent Ministerial workshops on improving the Regional Service Commissions, a number of the regions expressed similar sentiments. This is a clear example of “one size does not fit all” and different RSCs have varying interest in becoming more involved in economic development.

In its recently published Growth Strategy, the Province of New Brunswick referenced a new reliance on regional and community involvement in economic development. While there is no intention to return to the former Enterprise Networks, the province is encouraging regions to come together to form Regional Economic Development Teams comprised of civic and business leaders. The RSC could play the key co-ordinator role in establishing and leading this team. As a complement to this role, with possible financial assistance of Opportunities New Brunswick, RSCs could acquire in-house capacity to provide expertise, liaison, co-ordination and business assistance.

***Recommendation #9: It is recommended that RSCs at their option, establish Regional Economic Development Teams comprised of a mix of RSC Board members and members of the business community to identify regional and local priorities, opportunities and obstacles. RSC Board membership on the Regional Economic Development Team would be less than the majority of the total Team membership.***

***Recommendation #10: It is recommended that Opportunities New Brunswick consider a program for provincial/RSC co-funding of regional economic development co-ordinators and, where an RSC has implemented and oversees a Regional Economic Development Team, the co-ordinator, by agreement, would become an employee of the RSC. This service and approach would be optional for the RSC.***

c. Tourism Co-ordination/Strategy

A number of RSCs have been exploring the possibility of getting involved in tourism promotion. It appears that community leaders feel there is a gap, and that there is a need

to work together on a regional basis to improve tourism promotion and the co-ordination of tourism opportunities. The RSC provides an appropriate forum to discuss and identify potential actions relative to certain regional tourist assets and attractions that cross local boundaries. Some RSCs already have within their staff complement individuals who could help with the development of tourism strategies and related activities. They could work closely with municipal personnel and leaders to ensure that regional plans are aligned with local efforts.

***Recommendation #11: It is recommended that RSCs continue to discuss and pursue regional tourism co-ordination and promotion on the basis of regional needs and priorities.***

d. Regional Public Transit

At least one RSC has become actively involved in studying the necessity and feasibility of a regional transit service. In addition, there may be future opportunities for RSCs to become involved in the co-ordination and expansion and promotion of inter-community transit. While at this time the actual provision of such service is likely beyond the scope and capacity of RSCs, they provide an ideal vehicle for inter-community and regional discussion and collaboration regarding this service area. RSCs may wish to become involved as desired in providing a forum for discussions and collaboration around intra-community and inter-regional transit.

e. Support for Major Facilities and Other Regional/Sub-Regional Initiatives

RSCs are mandated to provide a forum to initiate common action around sport, recreation and cultural facilities. The intention would appear to be that the RSC brings together the communities and, through discussions and negotiation, can come up with co-operative regional solutions to acquire, finance, and manage these large investments, which often exceed the capacity of individual municipalities and provide service to a broader geographic area.

There has been some frustration expressed that the arduous process of encouraging the participation of the regions' communities can result in one or two "hold outs" and can result in division and controversy between communities.

Mandatory participation should be considered provided that certain conditions have been met. A formal, two-step process is proposed:

***Step one: the project proponent (which must be a municipality, rural community or LSD) would develop the proposal and proposed consultation plan including***

*such items as the catchment area, involvement of other communities, project specifications and preliminary cost projections and communication strategy. The conceptual project plan is presented to the RSC for consideration and a simple majority of the Board provides approval to take the plan for consultation and refinement.*

**Step Two:** *when the consultation phase of the project is completed to the reasonable satisfaction of all potential parties to the agreement, a concrete funding proposal is brought to the Board for consideration. At this meeting, an enhanced majority of two-thirds of Board members present representing two-thirds of the population of the communities of members present is required to carry the motion. If the motion is carried, financial participation is required of **all** implicated communities.*

**Recommendation #12:** *It is recommended that the Regional Service Delivery Act (or the General Regulation) be amended to establish a two-step process for regional involvement in financing and managing regional facilities, including mandatory financial participation, if an enhanced, two-thirds/two-thirds majority is achieved.*

**Recommendation #13:** *It is recommended that there be a new category of elective services established for RSCs to cover Regional and Community Economic Development and that the above two-step process for funding of regional facilities also apply to the initiation and funding of activities and initiatives under this service area.*

### III. Voluntary Support Services

A number of municipalities and rural communities, by virtue of their size and lack of fiscal capacity, may be limited in their ability to provide services through their own resources. A number of examples were brought up at the Minister's Workshops and discussed later at the administrative workshops where there may be efficiencies to be realized, if RSCs can offer service arrangements to smaller municipalities on a fee-for-service basis. Some examples discussed included:

- a. Administrative services: Improved and affordable access to expertise in various "corporate" functions such as financial management and accounting, information technology, human resource management and legal support could potentially be of benefit to many municipalities and rural communities, particularly the smaller ones.
- b. Water system testing and management: There is specific and rigorous monitoring and testing required for all common water systems. This requires qualified and available personnel on hand to do the testing and system

maintenance. Recruitment and retention of such personnel is often a challenge for smaller communities. The cost, effort and management of this function are often a burden on smaller communities, and could be provided by the RSC on behalf of subscribed communities. In addition, such a service could be provided to small systems in unincorporated areas currently operated by the Department of Environment and Local Government (and/or other provincial government departments) or by small commissions.

- c. Waste collection: Two RSCs have already become involved in the development and management of contracts for garbage collection for their region on behalf of all or most communities, as well as on behalf of the Minister for the local service districts and on behalf of municipalities. Significant cost savings have been reported. A similar model could be considered in other RSCs.
- d. By-law enforcement: Many municipalities and rural communities find the enforcement of by-laws a challenging aspect of their operations. This is particularly evident in the enforcement of dangerous and unsightly premises by-laws. In the unincorporated areas, there is also a need to improve the enforcement of the *Unsightly Premises Act*. Where desired, RSCs could provide inspection services regarding dangerous and unsightly premises. In addition, there may be an opportunity to provide administration and enforcement support services for other by-laws (e.g., for animal control).

***Recommendation #14: It is recommended that RSCs undertake a needs assessment of the capacity of smaller municipalities within their region and develop a catalog of service offerings which could be either offered on a fee for service basis by the RSC or by another municipality through an agreement facilitated by the RSC.***

#### IV. Regional Planning

Regional Planning is one of the three “common services” as provided in the *Regional Service Delivery Act* and a requirement for each RSC. The *Act* specifies that each Commission is to adopt a regional plan within a specific time frame to be established by Regulation.

To date no regulatory time table has been established. RSC Boards strongly endorse the importance of regional planning as an exercise which should lead to greater community cohesion, more comprehensive and co-ordinated development on a regional basis, and the expression of a vision and future goals for the region.

However, in discussions with Board members, three important factors became clear:

- There are different views about what a regional plan should constitute; there is no common understanding;
- There is a strong reliance on the Province to provide not only guidance in the contents and process for establishing a regional plan, but the Province must also enunciate overarching planning policies, and
- The effort and cost to implement a regional plan will be significant.

It is understood that there has been considerable and thoughtful work done by the Executive Directors of the RSCs along with staff of the Department of Environment and Local Government in developing a model and framework for regional planning in New Brunswick. The Province has recently introduced a new *Community Planning Act*. Presumably this revamped legislation will provide a clearer framework for the Regional Plan including the provision of a framework for provincial policy statements on land use.

Previous attempts at regional planning in New Brunswick certainly did not prove to be successful. Similarly, the enunciation of provincial statements of interest has been spotty and incomplete. So, there remains work to be done on the framework for a regional plan, and while this is an essential tool in expressing regional interests and priorities and marrying them with provincial and local interests, it is important to get it right.

Eventually the Regional Plan may envelop a number of stand-alone strategies such as the above-noted Protective Services Strategies and the Regional and Community Development strategies.

***Recommendation #15: It is recommended that the working group on the Regional Plan framework finalize its proposal and present it to the RSC Boards and the Province for feedback.***

***Recommendation #16: It is recommended that the Province proceed as a priority to enact the new Community Planning Act and to develop and enact statements of provincial interest.***

***Recommendation #17: It is recommended that the Province establish a funding mechanism to encourage and support RSCs in the development and implementation of Regional Plans.***

### ***Administrative and Operational Adjustments***

Mayor as Board member

When the RSC concept was established it was considered to be of sufficient importance that the mayor of each community became a member of the Board of Directors. Provision is made

for the deputy mayor to sit as the alternate for the mayor. The appointment of LSD members is different and takes into account the “at-large” selection process.

There have been circumstances where, for various reasons, neither the mayor of a municipality nor the deputy mayor has been able to sit on the Board and/or attend meetings. While it is recognized that it is important to maintain the high level of prominence to this Board membership, from a practical point of view there may be need for some limited flexibility in choosing an alternate other than and, in addition to, the deputy mayor.

***Recommendation #18: It is recommended that the General Regulation under the Regional Service Delivery Act be amended to provide for the selection by Resolution of Council of a second alternate in addition to the deputy mayor, but that the number of times this alternate can sit at the Board table be limited.***

Withdrawal from Planning Service

Land Use Planning is one of the cornerstone common services provided by all RSCs. Without broad participation by many or most of the communities within a region, the cost and ability to provide a comprehensive service to the region may be limited.

The *Regional Service Delivery Act* makes provision for the removal of a municipality from the obligation to receive land use planning services from the RSC and provide its own services following a notice period of two years. No other conditions are attached, which makes withdrawal from the service relatively easy. There was also a concern expressed during the consultation exercise that the withdrawal of municipalities from the Commission for planning services may not only affect the ability of that municipality to provide an acceptable level of planning services, but may also undermine the viability of the service for those communities remaining with the RSC.

***Recommendation #19: It is recommended that along with the two year notice period, three additional conditions be applied to the potential withdrawal of a municipality or rural community member from receiving planning services from an RSC as follows:***

- 1. Satisfying the Provincial Planning Director that the municipality can provide an acceptable level of service based on standards to be established by the Provincial Planning Director;***
- 2. Payment to the RSC of any costs directly associated with the withdrawal; and***
- 3. Satisfying the Minister that their withdrawal will not threaten the financial and service viability for the remaining communities.***

Single Entry Point for land development

All the RSCs provide planning services at least to some of the member communities. In some cases, the development officers will help guide an applicant through the sometimes complex process of obtaining other requisite permits and authorizations.

There is an opportunity for a more uniform and comprehensive single entry point model which retains the regulatory regime and inspection process with the various provincial government authorities, but can provide the client, through the RSC development officer, with a clear path forward. This would be a co-ordination mechanism rather than bringing inspection and approval under one roof. Procedures and protocols would be required, including monitoring the progress of files through the process.

It is understood that no two files are similar, and the requirements and consequences are significant. Nevertheless, navigating the perceived “maze” of regulations and approvals is often expressed as an impediment to progressive development. Indeed, in several of the Minister’s workshops, Board members expressed their desire for such a process, and in the administrative workshops there was corroboration that this would be of benefit, and fit within the RSC model.

RSC planning services are usually the first stop and obvious “go-to” entry point. In addition, because they provide services to multiple communities, the development officers would have a good knowledge of the regulations and authorities involved in the several processes in obtaining development approval.

***Recommendation #20: It is recommended that the RSCs come together to explore and pursue the concept of a Single Entry Point for Land Development.***

#### Boundary Adjustments

In a number of the Minister’s Workshops, participants noted that there were boundary issues within the current configuration of the RSCs. While the arguments made by those RSCs were compelling, it must be recognized that there are likely opposing arguments for the boundaries to remain as currently established.

There is a detailed process outlined in the *General Regulation* under the *Regional Service Delivery Act* which includes the framework for an impact study to be undertaken as well as specific indications of community support.

***Recommendation #21: It is recommended that the current provisions of the General Regulation under the Regional Service Delivery Act remain as sufficient and appropriate measures to deal with potential boundary changes to RSC boundaries.***

### ***Financial Support by the Province***

At each of the Minister's workshops and often in the administrative workshops, participants emphasized that greater financial support from the Province is required, particularly if service responsibilities are downloaded to the RSCs.

It is not within the scope of this exercise to examine the sufficiency of funding of local government in New Brunswick. This exercise is about how the Regional Service Commissions can be strengthened and how they can support communities through the provision of quality and efficient services. While there were some comments noted about an increase in cost as a result of the implementation of the RSCs, there were also examples provided of where direct cost savings were realized. Also, numerous examples were given of where better service or more effective service delivery were realized as a result of the implementation of the RSC model.

The majority of the recommendations made in this report will improve effectiveness of service delivery of RSCs, enhance local and regional governance, support small communities in dealing with their fiscal challenges in maintaining quality services, or improve communication and coordination. Where the improvements with the implementation of such recommendations will result in direct benefits to the communities and residents, it does not appear to make a compelling argument for continuous provincial financial support.

Having said that, there is a responsibility and role for the Province to play in encouraging new measures to increase public safety and security, to promote economic development and generally to help advance the RSC model. An appropriate and effective approach is to establish seed funding for pilot projects or proofs of concept. The successful and well-regarded Recreational Planning Assistance Program and companion, Recreation Leadership Assistance Program of the Department of Tourism, Heritage and Culture, provide some valuable design features to inform additional funding programs which could be made available to RSCs in support of additional planning and implementation initiatives.

These two financial assistance programs provide modest amounts of funding to RSCs in the first instance to initiate a regional recreation plan, and in the second to hire a recreation leader to implement the plan. Funding is at the rate of 75% of the cost, and the eligibility requirements are fairly flexible to accommodate different approaches and priorities within the various regions. Take-up for the first program has been positive, and it is understood that there will also be good interest in the Leadership program.

So, while the Province is under no obligation to provide funding for initiatives and service enhancements which ultimately benefit local governments, it should consider specific incentive



programs to support and encourage new initiatives which would act as leverage for quality service delivery at the regional/local level.

***Recommendation #22: It is recommended that the Province develop financial assistance programs to encourage a number of the above recommendations, particularly in support of the following:***

- ***Development of a model for co-ordination of fire service***
- ***Climate change adaptation***
- ***Regional economic development co-ordination***
- ***Regional tourism strategies and promotion***
- ***Development of regional plans***

### ***Communications and Co-operation***

Improved Communications:

An exercise was undertaken in each of the six sessions with provincial, regional and municipal staff, where participants were asked to consider where there are gaps in communications between stakeholders and where there is a need for improvement. There were several areas of deficiency that came up with notable frequency:

- Participants remarked that often information about the functioning of the RSC does not appear to be brought back by the municipal board members to their respective municipal councils;
- Municipal administrators often noted that the level of communication directly with RSC Executive Directors could be improved;
- LSD representatives on the RSC Board remarked that it is difficult for them to effectively communicate with the LSD Advisory Committees on the affairs and initiatives of the RSC; and
- There were comments about the general lack of awareness by the general public as to the functioning, role and responsibilities of the RSC.

There were also examples of enhanced and improved communications which could provide solid learnings and techniques for other RSCs. For example, some RSCs hold regular information sessions for regional municipal administrators and Local Service Managers to provide them direct briefings and information exchange about the activities and priorities of the RSC. In order to make it easier to brief their respective councils and LSD committees, one RSC prepares a reader-friendly version of the minutes of the RSC Board meetings. Other examples of enhancing stakeholder communications were noted and should be shared around the RSCs as examples of “best practices”.

***Recommendation #23: It is recommended that RSCs undertake a communication evaluation exercise to identify the stakeholder groups most important to the RSC, identify known deficiencies in communication with those groups, and determine what procedures and techniques can be put in place to overcome those deficiencies.***

Intra-Regional co-operation

It became evident through this review and consultation exercise that there is significant competency and capacity among the Executive Directors, Directors and other senior staff of the RSCs. They are evidencing an ingenuity, commitment and effectiveness in moving the bar to develop the individual RSCs, and addressing the priorities and goals of the regions. Innovative, intra-regional resource and idea sharing is becoming more commonplace as RSCs realize that they don't have to "reinvent the wheel", but can build on the learnings of other RSCs. One effective example was the recent hiring of a solid waste engineering specialist shared between five of the RSCs that have landfill sites. It is reported that this expert capacity would be difficult to obtain and financially absorb for individual regions but collectively RSCs can now obtain this expertise through a common-hiring model. It is understood other examples are being considered to address the shortage of land use planning capacity around the province.

The notion of pathfinder projects should be promoted where one or two RSCs accept to study and perhaps pilot a particular undertaking with the understanding that the process, lessons learned and way forward would be documented for consideration by other RSCs. This could be combined with seed funding from the Province or other sources to incent the Pathfinder RSC to take on the challenge and pass the learnings on to others.

***Recommendation #24: It is recommended that RSCs maximize their capacity and expertise by sharing the responsibility to study, pilot and review initiatives through the use of Pathfinder Projects and best practices. Provincial support for such undertakings would be expected as part of Recommendation #22.***

### ***Local Government Structure and Governance***

It should not be surprising with the amount of investigation, reporting, discourse and debate in New Brunswick over the past three decades at least, that the complex issues around local government structure emerge once again in this review of the Regional Service Commissions.

Perhaps the most controversial and long-standing provincial/municipal strain has been the broad issue of municipal restructuring. Successive governments over many years have tackled or at least studied the various compelling issues around municipal restructuring with mixed results. Many will agree with the underlying questions framing the perceived need to consider municipal restructuring including:

- Do we have too many units of local government?
- Can smaller municipalities remain viable?
- Is there lack of co-operation, co-ordination and resource utilization as a consequence of so many municipalities and LSDs?
- Does the current structure and configuration contribute to an urban/rural divide?
- Can our communities face the demographic and economic realities under the current structure?

While there may be general agreement on the problems facing NB communities, there is certainly no unanimity in an approach to deal with the issues. Both provincially-led, top-down approaches and locally-led, community-based approaches have proven over the years to have been incremental and moderately successful at best, and have often contributed to conflict and acrimony between the province and local governments and even between local communities.

During the recent Development of Regions Summit, many municipal leaders spoke about recognizing that we have too many municipalities, illogical boundaries, weak regions, and many other shortcomings of the current structure. In numerous cases, they affirmed their belief that the Province should have acted on the Finn Report, and that it is the Province's role and obligation to ensure a viable and strong local government structure. However, there was not a strong indication that local leaders would support the Province in undertaking a wide-scale exercise. In fact, one interpretation is that local leaders feel the Province should seriously and determinedly look into municipal structural reform, but likely not expect support from them when the going inevitably gets tough. There was some interest as reflected in the recommendation of the Report of the Summit, for a "joint venture" where RSCs would be asked to recommend study areas for joint consideration between the Province and affected communities.

Again, in this review of Regional Service Commissions the issue of local government structure came up in many of the Minister's workshops. While there was no unanimity in how this matter should be approached, there appears to be an ever-growing realization by local government leaders that the status quo is not sustainable or conducive to a prosperous and strong province.

However, is it reasonable to expect the Province to design and impose a new local government model on communities, and therefore, bear the near full burden of selling the concept and weathering the inevitable fallout? While the Province is responsible for the legislative framework and operation of local government, unless local leaders come to the realization that change is unavoidable and imperative and that they must take greater charge, meaningful change will not come about. Local leaders must be concerned about the destiny of their own units, but must also look to find the best model to include their surrounding neighbours

(incorporated and unincorporated) in order for progressive, collaborative and comprehensive change to happen.

A new model of community restructuring must be considered - one that empowers and relies on local community leaders to step forward to figure out what's best for their communities and regions and to take action in a purposeful way to reshape the local government map. The Province must still play a role in providing support (financial, administrative and legislative) as well as encouragement. But it is time to shift from a top down to a bottom up model.

Conditions would appear to be conducive to such an approach. As evidenced through the recent consultation processes, the level of consciousness and agreement on the need for local government structural reform is ever-increasing. Indeed, and as noted above, a number of RSCs have indicated that they are prepared to play a role in supporting and encouraging a reorganization of their territory.

The municipal associations also have a leadership role to play, not only in encouraging their respective memberships to embrace local government reform, but to provide a consolidated forum for discussions and strategy. Given the increased level of confidence in the RSC and the fact that it includes representation from all communities, it is an ideal forum to initiate and undertake serious discussion as to how best to revamp the local government map for their region.

***Recommendation 25: It is recommended that community leaders, under the umbrella of the RSC, undertake an examination of options to strengthen local communities within their territory with an end game to:***

- ***Significantly reduce the number of local government units;***
- ***Strengthen the capacity of smaller communities by joining communities together;***
- ***Reduce or eliminate the amount of territory not covered by an incorporated municipality.***

***Recommendation #26: It is recommended that the Province provide technical and administrative support for a broad-based, RSC-driven restructuring exercise including more flexible and permissive legislative options to facilitate restructuring.***

### ***Representation and Governance in Local Service Districts***

New Brunswick is unique across Canada in that a large proportion of the Province does not have a locally elected, fully responsible local government structure. While other provinces have limited unorganized areas, rural communities and other structures, these are usually reserved for the most remote and unsettled areas. In New Brunswick, the vast majority of land

area and almost one third of the population live in local service districts (LSDs). While there are locally selected “committees” to advise on matters of local interest, decision-making and administration are conducted by the Minister of Environment and Local Government. This model has sustained itself with little change since the adoption of the Byrne report in 1967.

This imbalance in local governance is accentuated by an interesting dichotomy; LSD Advisory Committees often express frustration that they are not on a level playing field with their municipal elected counterparts, yet there is a reluctance to embrace full incorporation to achieve greater control, authority, and autonomy.

Along with the above issues and recommendations around municipal restructuring, the governance model in local service districts has certainly emerged as a preoccupation in discussions around improvements to the RSC model. At the very least, the imbalance of “power” as between the municipal representatives on the RSC Board and the LSD counterparts has been a common theme. LSD members on the Boards of the RSC have expressed their desire for legitimacy in their election and greater access to decision-making and authority. To some extent, the added legitimacy of their role as leaders and spokespersons for their areas through their seat on the RSC Board of Directors may have “awakened” a desire to have similar powers and decision-making as their municipal counterparts. However, they still value the relative minimal level of services and local controls as compared to municipalities and rural communities.

One response to this matter would be to simply change the method of selection of LSD representatives by electing those LSD representatives who would serve as board members on the RSC. However, this in reality would achieve little, as it still would not address the fundamental reality that LSD representatives have no real authority or powers.

Perhaps there is a middle ground available for those Local Service District areas that are prepared and anxious for greater control over their own destiny but not ready to make the full commitment to join with other communities to form a fully autonomous and incorporated municipality. This middle ground would aim at establishing duly elected local representation with authority and power to make direct decisions on behalf of their community while not incurring the overhead and service delivery responsibility of a municipality. Whether such a model would further entrench an outdated and inefficient model or pave the way to eventual full incorporation will remain to be seen. However, it hardly seems appropriate or indeed ethical to withhold local autonomy and accountability for the sake of waiting for a more ideal solution.

***Recommendation #27: It is recommended that an enhanced Local Service District model be developed based on the following features:***

- ***DELG would establish minimum viability thresholds (population, tax base, proven community of interest) for an LSD or groups of LSDs to achieve the “enhanced” status;***
- ***Local Service Districts which meet this threshold would have a Chair and Council elected through the quadrennial municipal election process;***
- ***The new LSD Councils would take over political and governance responsibilities currently administered by the Minister of Environment and Local Government;***
- ***Day-to-day financial and service administration would be provided by the RSC to the enhanced Local Service Districts on a cost recovery basis; they would not be allowed to establish their own administrative capacity;***
- ***Revenue sources or taxation room should be made available to the RSC for the assumption of the responsibility for administration of the enhanced LSDs;***
- ***Each enhanced LSD would have one seat on the Board of the RSC.***

Under this approach, there would remain, at least for the time being, local service districts which either do not meet the minimum threshold for application of the enhanced model, or where the residents do not aspire to an enhanced version of local representation and accountability. In these cases, they would continue to be represented on the RSC by a Board member selected in the same way as they currently are for LSDs as prescribed in the *General Regulation* under the *Regional Service Delivery Act*.

Under the *General Regulation - Regional Service Delivery Act*, when one or more LSD representatives are not in attendance at a meeting of the Board of the RSC, the whole population of the LSD area in total is distributed among the remaining members in attendance for the purposes of voting. In effect, this guarantees the LSD areas that they will always have full weight in voting so long that there is at least one representative in attendance. This is not the case for municipalities. If the Mayor (or Deputy Mayor as substitute) of a particular municipality is not in attendance at a meeting, that municipality does not get a vote for the matter presented at that meeting. While it is understood that this supports the “at large” concept which applies to the LSD areas within an RSC, it would seem to overly favour the LSDs. If the “enhanced LSD concept” as proposed above is accepted, then it would further bring into question the rationale for this preferential treatment of LSD representatives.

***Recommendation #28: It is recommended that the current provision in the General Regulation under the Regional Service Delivery Act (which outlines the enhanced voting requirement for approval of budget, borrowing and fees) be amended so that each LSD representative would represent a proportion of the population, and if they are not in attendance at the meeting for the above-noted decisions, their share of the population would NOT be re-attributed to the LSD members present.***

Whether or not there is acceptance of the above “enhanced” LSD model, there should still be consideration of bringing the servicing and administration of LSDs closer to the community. Favourable comments were often expressed about the provincial Local Service Managers, whose responsibilities include the day-to-day management of the LSDs on behalf of the Minister of Environment and Local Government. However, there were also suggestions that closer proximity to the RSC may provide a more responsive and perhaps more cost-effective delivery. It could also make for more effective communications and information flow and greater understanding of the mechanics and process of servicing, financing and taxation within LSDs.

At the administrative workshops, however, the notion of a transfer of responsibility of LSD administration to the RSC was met with less enthusiasm. Notwithstanding, and, in the event that the above recommendation on enhancing the LSD structure is not accepted, consideration should be given to testing whether aligning the servicing and administration of LSDs provides potential efficiencies and benefits. The RSCs have and are acquiring good capacity around financial management, contract management and other areas of expertise which could lend themselves to a potential assumption of some or all of the responsibilities for LSD administration and management.

***Recommendation #29: It is recommended, if the above recommendation on an enhanced LSD structure is not implemented, that a Proof of Concept be tested within one or two RSCs where day-to-day responsibilities for LSD administration and management are contracted to the RSC.***

### ***Equity in Property Taxation***

A continuing source of frustration and confusion felt by Boards of Directors of the RSCs is with the property tax system. LSD members often cite not knowing where their property tax dollar is going and are defensive when there are suggestions that taxes are lower in LSDs. They cite the additional burden of transportation, maintenance of stand-alone water and sewer systems, impact on volunteerism, and a general acceptance of a lower level of services in exchange for lower taxes. Municipal members on Boards often feel that the LSD areas are not paying an equitable share of the cost of services.

It is not within the domain of this process and report to inquire into the equity in taxation as between incorporated and unincorporated areas and between classes of property taxpayers; however, it was of sufficient interest in the Minister’s workshops that it warrants at least mention in this context. It is understood that over recent years, progress has been made in clarifying and making the property tax system more equitable by more clearly identifying and budgeting for such services as police and administration in unincorporated areas. However, there may be more work to be done, particularly in better communicating and calculating tax rates based on actual cost of services. While this may seem to be a relatively inconsequential

matter, it came up with sufficient frequency and passion that it that it remains an impediment to improved relations and co-operation between municipalities and unincorporated areas.

***Recommendation #30: It is recommended that the Province continue to improve and adjust the property tax system so as to better clarify and illustrate what services taxpayers are paying for in their tax bills, and to better establish the link between taxes paid and cost to provide the service. If there remain inequities in terms of who pays for what, these should be phased out of the property tax system.***

## **Conclusion**

In their relatively short existence, the Regional Service Commissions have become an important and integral component of local governance in New Brunswick. To date, the 12 Commissions have fulfilled their mandate to bring together the common services under one administrative structure, have established an indispensable forum for inter-community co-operation and consultation and have begun to forge ahead to tackle matters considered to be of regional and local importance.

The consultation exercises just completed and reported on in the document represented a comprehensive and inclusive gathering of perspectives from elected and appointed officials directly involved in the activities and governance of the RSCs.

There is no question there is room for improvement and advancement of the Regional Service Commissions. The series of 30 recommendations contained in this report are intended to move the bar to the next level for RSCs. The future success and growth of the RSCs will depend on the combined efforts and commitments of the Province, member communities (municipalities, rural communities and local service districts) as well as the RSCs themselves.

The Province, through the Department of Environment and Local Government, needs to provide support to the RSCs by ensuring that the legislative and regulatory framework continues to be effective in framing the responsibilities of the RSCs, and how these responsibilities are to be carried out. The Province should also identify where financial and program assistance can be identified to encourage and support RSC development and evolution.

Member communities should look to the RSC as a vehicle through which co-operation, economies of scale, improved services and communication can be achieved. Smaller communities, in particular, should turn towards the RSC as a means of shoring up their capacity to provide good levels of service at reasonable costs.



For their part, the RSCs themselves need to ensure that they are reaching out to their communities to understand their needs. The combination of the commitment of the community leaders who sit on the Boards of Directors of the Commissions, the competent support and guidance of the senior managers of the Commissions and, hopefully the acceptance and implementation of the recommendations in this report will lay the groundwork for strengthened and highly effective Regional Service Commissions.

## **Appendices**

[Appendix A – Response Matrix and Summary of Information Received from Minister’s Workshops](#)

[Appendix B – Catalog of Expanded or New Service Opportunities for RSCs](#)

[Appendix C – Evaluation and Ranking of Service Opportunities](#)