



ACCOUNTABILITY REPORT

2024-25

Municipal Affairs

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Accountability Report 2024–2025

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Accountability Statement

The Accountability Report of the Department of Municipal Affairs for the year ended March 31, 2025, is prepared pursuant to the *Finance Act* and government policies and guidelines. The reporting of the Department of Municipal Affairs outcomes necessarily include estimates, judgments, and opinions by the Department of Municipal Affairs management.

We acknowledge that this Accountability Report is the responsibility of the Department of Municipal Affairs management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Municipal Affairs 2024-25 Business Plan.

Original signed by

Honourable John Lohr
Minister

Original signed by

Paul LaFleche
Executive Deputy Minister

Measuring Performance

Introduction

The Department of Municipal Affairs (DMA) promotes responsible local government and supports resilient, prosperous and safe communities. DMA provides services and guidance to municipalities, towns, and villages in many areas, including safety and security, infrastructure development, budget planning and finance. DMA is also responsible for the Office of the Fire Marshal.

In March 2024 the Office of Emergency Management became the Department of Emergency Management and in December 2024, Housing moved to the Department of Growth & Development. The 2024-25 Business Plan of the former Department of Municipal Affairs and Housing is now represented in the 2024-25 Accountability Reports of the Department of Municipal Affairs, the Department of Growth and Development, and the Department of Emergency Management.

In 2024-25, priority areas were informed by Ministerial and departmental priorities to help municipalities across the province govern and provide municipal services. This report highlights results and progress in meeting the priorities outlined in the Department's 2024-25 Business Plan.

2024-25 Priority Actions in Support of Government's Business Plan

MUNICIPAL GOVERNMENT

- **Implement a renegotiated Service Exchange Agreement by working with government partners to develop necessary regulations.**

Outcomes:

- All 49 municipalities across the province signed the new Service Exchange Agreement on March 28, 2024.
- The Service Exchange Agreement establishes a clear understanding of roles and responsibilities between the provincial and municipal levels of government with respect to service delivery.
- The agreement took effect April 1, 2024, and represents a historic annual investment of \$82 million from the Province. This is a \$52 million increase from the \$30 million in funding through the annual Municipal Financial Capacity Grant (MFCG).

- **Support the operations of local governments through the continued delivery of municipal programming and statutory grants.**

Outcomes:

- DMA delivered \$94 million in municipal programming and statutory grants to support the operations of local governments in Nova Scotia.
- Implemented the 5-Year MFCG Transitional Support Program, which provides financial support to municipalities who experienced a decline in funding as a result of the modernized MFCG formula.

- **Assess municipal financial health and fiscal responsibility through financial analysis and use of tools to identify risk such as the Financial Condition Indicators (FCIs).**

Outcomes:

- Financial analysis and indicator results informed targeted supports and interventions.
- The Financial Condition Indicators Committee provided a platform for departmental engagement with representatives of municipalities and municipal associations, improving transparency around how financial health is assessed, and enhancing reliability and relevance of the tools used to assess financial health.

- **Support municipal elections through the delivery of training modules for Returning Officers in preparation for municipal elections in October 2024.**

Outcomes:

- In May 2024, DMA’s Municipal Elections Officer delivered a series of three-hour training sessions for municipal Returning Officers, equipping them with the knowledge needed to effectively carry out their roles.
- Election officials received the 2024 Municipal Elections Handbook and an Elections Calendar to support their preparation and execution of their municipal election.
- DMA, in coordination with the Municipal Elections Officer, provided ongoing expert guidance on the *Municipal Elections Act* and related processes and procedures.

- **Support newly elected municipal leaders through the delivery of new councillor orientation sessions to all councillors following municipal elections in October 2024.**

Outcomes:

- On November 4–5, 2024, DMA hosted a New Councillor Orientation Training event, welcoming over 250 attendees, who were primarily newly elected councillors. Sessions featured presentations from DMA, other provincial departments, and experienced municipal leaders.
- From January to May 2025, DMA offered a monthly “Lunch ‘n Learn” series for elected officials. The series will resume in Fall 2025.
- DMA continued to deliver tailored training upon request, including sessions on Municipal Governance 101, the *Municipal Conflict of Interest Act*, and Running Effective Meetings. These offerings have been widely delivered since the October 2024 election.

- **Seek ways to address any legislative barriers related to housing development and/or the needs of our municipal partners.**

Outcomes:

- The *Municipal Government Act* and *Halifax Regional Municipality Charter (2024-2025)* were amended to support housing development by expanding authority over long-term care planning areas, site plan and variance appeals, and development agreements.
- In collaboration with Halifax Regional Municipality, processes were streamlined to enhance public consultation, provide greater administrative authority for development agreements, and temporarily freeze select charges and incentives.

EMERGENCY SERVICES: OFM

- **Support Fire Services in the province through training, fire investigations, and in meeting their reporting requirements under the Fire Safety Act.**

Outcomes:

- The Office of the Fire Marshal (OFM) delivered five one-day Local Assistant courses, training 101 fire department leaders across the province on their responsibilities.
- OFM responded to 292 consultation requests from local assistants and police services, resulting in 66 fire investigations conducted by Deputy Fire Marshals.
- Fire service data reporting remains above the year-to-year average, with 9,522 responses reported—slightly down from the previous year. The Fire Marshal emphasized the importance of reporting during a presentation at the Fire Service Association of Nova Scotia Conference.

- **Work with the Fire Service Association of Nova Scotia (FSANS) on issues impacting the fire service throughout the province.**

Outcomes:

- The Fire Marshal attended the bi-monthly FSANS Board of Directors meetings to hear issues impacting the fire service throughout the province.
- The Fire Marshal met with the President of FSANS on a semi-regular basis as issues of concern arose.

- **Implement process and system improvements to align with the recommendations of the May 2023 Auditor General report.**

Outcomes:

- The OFM has completed five of seven Auditor General recommendations through process and system improvements.
- The OFM is in the process of sourcing and implementing a new Records Management System, which will improve their business processes and requirements, and address the remaining technological components of the outstanding recommendations upon completion.

PLANNING AND INFRASTRUCTURE

- **Commence a review of the Statement of Provincial Interest Regarding Housing to support increasing the supply of housing.**

Outcomes:

- DMA commenced a review of the Statement of Provincial Interest (SPI) Regarding Housing.

- SPIs help define the Province’s priorities for planning land use, and they are designed to protect the emerging public interest.
- Background review, research, meetings with planning departments from other provinces, and engagement with departments of government has occurred.
- External engagement is underway. Virtual engagement sessions and a municipal survey have been completed. Municipalities were engaged on including accessibility in these two SPIs.

➤ **Support the work of the Department of Environment and Climate Change and municipalities through continuing to administer the Municipal Flood Line Mapping Program and developing a Municipal Stormwater Management Planning Project.**

Outcomes:

- The Municipal Flood Line Mapping (MFLM) Program made significant progress in 2024-25. This brings the flood mapping completed under the program to just over half of the province.
- The MFLM program began data collection field work in the remaining watersheds that do not currently have flood mapping.
- In addition to core flood mapping, the program is funding initiatives such as municipal grants for 3D visualization tools, workshops for staff on flood hazards, climate change research on precipitation impacts, and grants to Mi'kmaw organizations for flood hazard engagement with First Nations communities.
- In 2024–25, a Municipal Stormwater Management Needs Assessment was substantially completed, including a national best practices scan, municipal engagement, focus area prioritization, and recommendations.
- The Needs Assessment will inform a new grant program for municipal stormwater planning, developed in collaboration with Environment and Climate Change’s (ECC) Water Resources Management Division.
- A reliable local Rainfall Coefficient for stormwater infrastructure design was developed by Université de Moncton with Climate Plan funding and shared with ECC and Public Works.

➤ **Administer Provincial and Federal funding programs that encourage housing and support community needs in the areas of water and wastewater, climate change, transit, and other local priorities.**

Outcomes:

- DMA administers provincial and federal funding programs that support our growing population through municipal investments aligned with priorities such as water, wastewater, climate change, and local needs.

- In 2024–25, the Province approved 163 projects with a total funding of \$68.6 million, including \$40.7 million for water and wastewater, \$232 thousand for climate change initiatives, and \$27.5 million for other local priorities.
- The Growth and Renewal for Infrastructure Development (GRID) Program was developed and launched. GRID supported 35 municipal projects with \$26.8 million in funding, enabling infrastructure improvements to support approximately 6,200 new housing units.
- A new 10-year agreement was signed with Housing, Infrastructure and Communities Canada for the Canada Community-Building Fund (CCBF). The 2024–25 allocation of \$60.7 million was disbursed to municipalities.
- The CCBF is a federal transfer-based program which provides flexible long-term funding for Canadian municipalities to help build and revitalize local public infrastructure.
- DMA committed \$22.8 million to the Town of Bridgewater’s Sanitary Stormwater Master Plan Upgrades, which will reduce sewer overflows into the LaHave River, enabling 262 additional housing units and laying the groundwork to address infrastructure barriers to over 2,570 additional units.
- DMA continued to administer the Investing in Canada Infrastructure Program, supporting 117 projects across multiple streams (Transit, Green, Community Culture and Recreation, and Rural and Northern Communities), with a total value of \$1.26 billion. As of 2024–25, 30 projects were completed and 87 remain active.

➤ **Work to deliver annual Provincial programs that target capital investments in our communities addressing emergency services, help identify and mitigate potential flood risks, encourage municipal collaboration, and support upgrades to water, wastewater, and solid waste.**

Outcomes:

- The Emergency Service Provider Fund supported 64 projects through \$1.2 million in funding to upgrade critical fire and emergency response equipment.
- The Provincial Capital Assistance Program provided \$950 thousand to fund 16 infrastructure projects, resulting in 4,063 new household/non-residential water connections, 3,683 metres of linear infrastructure investments, and upgrades to four treatment plants.
- The GRID Program invested \$26.8 million in 35 projects, delivering:
 - Improved water service to 12,012 households;
 - Replacement of 15,795 metres of deteriorated water pipe and extension/upgrades to 1,068 metres of water services;
 - Replacement of 3,710 metres of wastewater pipe and upgrades to 3,805 metres;
 - Reduced climate change risk for 576 properties;

- 12 accessibility-enhancing assets and 2,150 metres of active transportation infrastructure; and
- Improved fire protection for 2,324 residences.
- The Flood Risk Infrastructure Investment Program provided \$232 thousand - funding five projects that reduced flood risk for 46 properties and supported three studies to identify and mitigate flood-prone areas.
- The Municipal Innovation Program provided \$382 thousand, supporting five projects focused on regional collaboration and long-term municipal sustainability.

ACCESSIBILITY AND EQUITY

- **Work with the Accessibility Directorate and municipalities to look at how accessibility can be added to the Statements of Provincial Interest (SPIs).**

Outcomes:

- SPIs are regulations that identify the Province's priorities concerning land use planning. Currently, the SPIs related to Housing and Infrastructure are under review.
- A key milestone in the process was achieved in 2024-25 through engagement of municipalities (planners, engineers, and Chief Administrative Officers) through a survey and three meetings to explore the inclusion of accessibility.

- **Implement the DMAH and government-wide commitments in the Government of Nova Scotia Accessibility Plan 2022-25 and Equity and Anti-Racism Strategy. This includes supporting municipalities to implement and renew accessibility plans, prepare to comply with the built environment accessibility standard, and develop equity and anti-racism plans.**

Outcomes:

- DMA collaborated with the Accessibility Directorate, the Office of Equity and Anti-Racism, and the Association of Municipal Administrators of NS to offer municipalities and villages an integrated and intersectional approach to meet their legislative obligations.
- By March 31st, 60% of the municipal units had submitted updated Accessibility Plans and 62% had developed [equity and anti-racism plans](#).

- **Work with the Accessibility Directorate and the Office of Equity and Anti-Racism to ensure that the municipal perspective is heard with respect to the implementation of the Accessibility Act, the Dismantling Racism and Hate Act and the Access by Design 2030 strategy.**

Outcomes:

- DMA joined the Accessibility Directorate and the Office of Equity and Anti-Racism on the Association of Municipal Administrators of NS' Municipal Equity, Anti-Racism and Accessibility Support Program Advisory Committee.
- The Committee collaborates to provide specialized and targeted capacity building supports for municipal units to meet the commitments of their plans in accordance with the *Accessibility Act* and the *Dismantling Racism and Hate Act*.
- The Committee supported municipalities and villages by allowing municipal units the opportunity to take an individual or collective/regional approach and submit individual or combined plans.

Financial Summary and Variance Explanation

Departmental Expenses Summary (\$ thousands)

<u>Programs and Services</u>	<u>2024-2025 Estimate</u>	<u>2024-2025 Actuals</u>	<u>2024-2025 Variance</u>
Senior Management	1,061	1,128	67
Policy & Innovation	1,983	2,145	162
Municipal Infrastructure & Finance	387,729	305,528	(82,201)
Municipal Planning, Governance & Inclusion	2,985	3,318	333
Office of the Fire Marshal	2,757	2,395	(362)
Total - Departmental Expenses	396,515	314,514	(82,001)
Additional Information:			
Ordinary Revenues	5	6	1
Ordinary Recoveries	258,972	188,037	(70,935)
Total: Revenue, Fees and Recoveries	258,977	188,043	(70,934)
TCA Purchase Requirements	0	77	77
Funded Staff (# of FTEs)			
Department Funded Staff	55.0	52.7	(2.3)

Departmental Expenses Variance Explanation:

Department of Municipal Affairs expenses were (\$82.0M) or 20.7 per cent lower than the estimate primarily due to a (\$111.7M) decrease in Federal Infrastructure program grants due to project delays and (\$1.4M) in miscellaneous operating costs.

These decreases were partially offset primarily by a \$16.5M increase for a water line and wastewater projects, a \$11.8M increase in the Growth and Renewal for Infrastructure Development (GRID) program due to a higher number of applications, and a \$2.7M increase for the grants in lieu of property taxes.

Revenue, Fees and Recoveries Variance Explanation:

Department of Municipal Affairs recoveries and revenues were (\$70.9M) or 27.4 per cent lower than the estimate primarily due to decreased infrastructure program recoveries due to project delays.

TCA Purchase Requirements Variance Explanation:

The Department of Municipal Affairs Tangible Capital Asset purchase requirements were \$0.1M higher, primarily due to the Municipal Data Management Platform project.

Provincial Funded Staff (FTEs) Variance Explanation:

Delays in filling vacancies account for lower than expected (2.3) FTE's.

Public Interest Disclosure of Wrongdoing Act

Annual Report under Section 18 of the Public Interest Disclosure of Wrongdoing Act

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

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

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

A wrongdoing for the purposes of the Act is:

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

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

Information Required under Section 18 of the Act	Fiscal Year 2024-2025
The number of disclosures received	0
The number of findings of wrongdoing	0
Details of each wrongdoing	N/A
Recommendations and actions taken on each wrongdoing.	N/A

There were no Disclosures of Wrongdoing received by the Department of Municipal Affairs in 2024-25.