

Halifax Regional Council
July 8, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


Dale MacLennan, Director, Financial Services

DATE: July 3, 2003

SUBJECT: **Guidelines - HRM Spending During Municipal, Provincial or Federal Elections**

INFORMATION REPORT

ORIGIN

Originates with staff.

BACKGROUND

The Municipal Government Act (1998) provides the broad framework within which policies authorizing the expenditure of public monies are developed, administered, and revised. Further, during a municipal, provincial, or federal election the Municipal Elections Act (1989), Nova Scotia Elections Act (1989), and the Canada Elections Act (2000) provide guidance specific to election campaign spending and the conduct of incumbents and candidates. In addition to legislation, the Halifax Regional Municipality monitors spending of public monies in accordance with the approved budget; both Capital and Operating. Specific policies and procedures are also in effect for specific types of reserve accounts, area rate accounts, and other spending accounts.

These guidelines are meant as advice and as a reporting tool for Councillors taking part in a Federal, Provincial or Municipal election.

DISCUSSION

The HRM Spending During Municipal, Provincial and Federal Elections Guidelines are intended to guide discretionary expenditures in accordance with applicable legislation, HRM's goals and priorities, and to provide clarity in the event of allegations of conflict of interest. The aim is to ensure that during a period of increased public scrutiny either preceding or during an election for public office, clear guidelines are established to guide individual discretionary decisions. Further, the guideline provides direction to senior staff regarding the identification and reporting of any proven spending irregularities.

The Guidelines are attached.

BUDGET IMPLICATIONS

There are no budget implications associated with these guidelines, as these are spending guidelines on current approved budgets

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

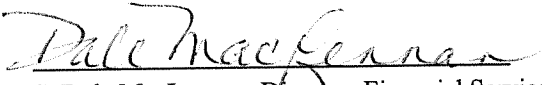
Councillors could use previously use existing policies and legislation to guide spending during any election campaign. Staff believe that the new guidelines provide improved clarity for staff and councillors and improved transparency to the public.

ATTACHMENTS

Guidelines

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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Approved by: 
S. Dale MacLennan, Director, Financial Services 490-6308

GUIDELINES

HRM Spending During Municipal, Provincial or Federal Elections

1. Context

The Municipal Government Act (1998) provides the broad framework within which policies authorizing the expenditure of public monies are developed, administered, and revised. Further, during a municipal, provincial, or federal election the Municipal Elections Act (1989), Nova Scotia Elections Act (1989), and the Canada Elections Act (2000) provide guidance specific to election campaign spending and the conduct of incumbents and candidates. In addition to legislation, the Halifax Regional Municipality monitors spending of public monies in accordance with the approved budget; both Capital and Operating. Specific policies and procedures are also in effect for specific types of reserve accounts, area rate accounts, and other spending accounts.

These guidelines are meant as advice and as a reporting tool for Councillors taking part in a Federal, Provincial or Municipal election.

2. Statement of Intent

The HRM Spending During Municipal, Provincial and Federal Elections Guidelines are intended to guide discretionary expenditures in accordance with applicable legislation, HRM's goals and priorities, and to provide clarity in the event of allegations of conflict of interest. The aim is to ensure that during a period of increased public scrutiny either preceding or during an election for public office, clear guidelines are established to guide individual discretionary decisions. Further, the guideline provides direction to senior staff regarding the identification and reporting of any proven spending irregularities.

3. Types of Spending Restricted During an Election

These guidelines covers the following spending decisions which may occur preceding or during an election for public office:

- 3.1 These guidelines applies to all Members of Council who are "officially nominated"
 - (i) in a Provincial or Federal election, or
 - (ii) in a HRM election.
- 3.2 These guidelines covers the following accounts
 - (i) Area rate accounts which require the sole or shared authorization of withdrawals by an elected member(s) of Regional Council;

(ii) The HRM District Activity Fund;

(iii) Councillors District Capital Account;

(iv) Councillors Support Office expenditures in self-promotional advertising, newsletters, direct mail flyers or surveys, signage, or discretionary donations.

3.3 The following restrictions shall apply to the accounts listed in 3.2:

(i) once an election writ has been issued pursuant to a Federal or Provincial election or by-election no additional commitments or budget changes may be made. Commitments or budget changes may resume once election returns have been filed and a candidate is either: defeated and commences the remainder of their term on Regional Council, municipal or a by-election has been concluded and a candidate is either acclaimed or elected to office.

(ii) once the official date for the closure of candidacy for a HRM Municipal election or by-election has occurred, no additional commitments or budget changes may be made. Commitments or budget changes may resume once election returns have been filed and a candidate is either elected by acclamation or elected to office.

3.4 A candidate shall not expend municipal funds in the production or distribution of promotional materials such as but not limited to a district newsletter, advertisement, signage, direct mail campaign, etc during a Municipal, Provincial or Federal election. The time frame for this shall be the same as that referenced in 3.3.

3.5 Nothing in these guidelines shall prevent HRM from paying for a commitment that existed prior to the circumstances listed in 3.3. Where expenditure authority has been suspended for an area rate account, or similar circumstances exist in another account, the Director of Finance may exercise the suspended expenditure authority.

3.6 Nothing in these guidelines shall prevent HRM Regional Council from voting on a tender that was issued prior to the circumstances listed in 3.3.

3.7 Nothing in these guidelines shall prevent HRM from proceeding with an expenditure or commitment where the budget or the business plan voted on by HRM Regional Council outlined in specific terms the project or course of action(s) to be undertaken and the required cost.

3.8 Nothing in these guidelines shall prevent HRM from proceeding with debate or voting on its overall budget for the upcoming fiscal year even where items that are or could be listed in 3.2 are part of that overall budget.

3.9 In these guidelines “commitment” shall mean a commitment normally defined by generally accepted accounting rules and HRM’s internal policies. For purposes of these guidelines, it shall also include “expenditure authority” under the “Recreation Area Rate Policy”.

4. Emergency Spending

The restrictions on spending during an election as detailed in Sections 3 may be suspended by the CAO in the case of an emergency. In this context “emergency” shall mean: in the event of a natural or man-made disaster, severe or undue hardship, the risk of litigation, the risk of late payment interest or performance penalties, where the delay of a project compromises cost-sharing opportunities, or circumstances where public safety is compromised.

5. Responsibility for Guideline Implementation, Monitoring and Reporting

5.1 The HRM Spending During Municipal, Provincial and Federal Elections Guidelines supercedes any existing policy/guideline with respect to specific programs and departmental capital or operating accounts.

5.2 The CAO shall be responsible for ensuring staff compliance with these guidelines, assisted by the Office of the Deputy CAO, or his/her designate.

The actions of the HRM staff are expected to reflect awareness and to comply with the stated intent of these Guidelines. Any irregularities or violations of guidelines on the part of departmental staff shall be reported to the CAO and to Regional Council to ensure accountability.

5.3 HRM Directors shall be responsible for ensuring annual Operating and Capital expenditures, service standards, and project priorities are in accordance with the annual budget and business plan approved by Regional Council. Spending shall be in accordance with standard decision-making policies and procedures. Any deviation from protocol shall be reported to the Director and/or CAO.

5.4 HRM Financial Services shall be responsible for monitoring expenditures under Area rates, Councillors’ District Capital Funds, Councillors’ District Activity Fund, and departmental spending in accordance with the approved budget and procurement policies and procedures.

5.5 The FOIPOP Coordinator, HRM Shared Services, shall be responsible for responding to Freedom of Information & Protection of Privacy requests in accordance with Part XX of the Municipal Government Act (1999).

5.6 The Councillors Support Office, HRM Governance and Strategic Initiatives, shall be responsible for monitoring the department’s discretionary budget regarding self-promotional advertising, newsletters, direct-mail flyers, surveys, signage or discretionary donations in accordance with HRM policies and procedures.

6. Reporting Requirements

6.1 Irregularities or non-compliance with these guidelines will be referred to the Business Systems & Control group within HRM Financial Services for review and report to the CAO.

7. Continuous Renewal Clause

7.1 These guidelines shall be assessed after the first year of implementation to evaluate its scope, relevance, and effectiveness. Thereafter, these guidelines shall be reviewed every three (3) years or upon request to reflect substantive change in legislation or municipal policy and procedures.

7.2 Responsibility for guideline review and revision of these guidelines shall rest with HRM Financial Services.