



# **Accountability Report**

## 2023–24

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Municipal Affairs and Housing



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Accountability Report 2023–2024

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## Accountability Statement

The Accountability Report of the Department of Municipal Affairs and Housing for the year ended March 31, 2024, is prepared pursuant to the *Finance Act* and government policies and guidelines. The reporting of the Department of Municipal Affairs and Housing outcomes necessarily include estimates, judgments, and opinions by the Department of Municipal Affairs and Housing management.

We acknowledge that this Accountability Report is the responsibility of the Department of Municipal Affairs and Housing 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 and Housing 2023-24 Business Plan.

*Original signed by*

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Honourable John Lohr  
Minister

*Original signed by*

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Byron Rafuse  
Deputy Minister

# Measuring Performance

## Introduction

The Department of Municipal Affairs and Housing (DMAH) promotes responsible local government and supports safe, sustainable, and welcoming communities. DMAH provides services and guidance to municipalities, towns, and villages in many areas, including safety and security, housing and infrastructure development, and budget planning and finance. The Department designs and delivers programs, policies and services to support access to affordable housing for all Nova Scotians. DMAH also assists municipalities with organizing and providing municipal services in times of emergency.

In 2023-24, our priority areas were informed by our Ministerial Mandate items and our departmental priorities to address the diverse housing needs of Nova Scotians, invest in resilient and accessible infrastructure, modernize service delivery for all municipalities, and protect and support our communities by preparing for emergencies and responding when they happen. This report highlights results and progress in meeting the priorities outlined in the Department's 2023-24 business plan.

On March 28, 2024, a historic Memorandum of Understanding (MOU) between the Province and Municipalities was signed and took effect on April 1, 2024. Under the new MOU, the Province will invest \$82M annually in municipalities, which represents a yearly funding increase of \$52M comprised of new money for infrastructure and roads and municipalities no longer contributing towards public housing or corrections.

In October 2023, DMAH launched [Our Homes, Action for Housing: A Five Year Housing Plan](#). Based on insights gathered through *the Provincial Housing Needs Assessment*, the plan sets out a bold and collaborative approach to achieve the vision that all Nova Scotians have access to safe housing that they can afford and meets their diverse needs. Building on strategic investments of almost \$300M since 2022, the plan focuses on three solutions – increasing housing supply; growing and sustaining affordable housing; and delivering programs people need – and 12 actions to help create more housing options now and into the future.

The Nova Scotia Emergency Management Office (NSEMO) continued to work with provincial and federal partners to aid in the response and recovery to several large-scale disasters which impacted the province in 2023-24 including: wildland fires, hurricanes, flooding, and extreme winter weather events.

The Nova Scotia Provincial Housing Agency (NSPHA) manages and maintains public housing across the province. All non-public housing programs and functions are managed by DMAH. Please refer to the NSPHA Accountability Report for public housing updates.

## 2023-24 Priority Actions in Support of Government's Business Plan

### MUNICIPAL GOVERNMENT

*Strengthening partnerships and modernizing service delivery for all municipalities:*

**Financial Measures Act Amendments:** On April 5, 2024, the FMA received Royal Assent in the Nova Scotia Legislature. The Act extended the Executive Panel on Housing in the Halifax Regional Municipality for two additional years and amends the *Municipal Government Act* to support housing development across the province through various amendments designed to remove red tape and streamline development processes. The Act also establishes a framework for municipalities to create a Code of Conduct for mayors, wardens, and councillors, and created a new pathway for villages to formally change their names.

**Finalize MOU:** An MOU between the Province and Municipalities was signed on March 28, 2024, and became effective on April 1, 2024. Under the new MOU, the Province will invest \$82M annually in municipalities, which represents a \$52M increase in annual funding.

**Provide Funding for Municipalities:** The Department delivered \$87M in municipal programming and statutory grants supporting the operations of local governments. As part of the new MOU, the Department worked with municipal partners to modernize the Municipal Financial Capacity Grant formula.

**Support Responsible Local Government and Welcoming Communities:** DMAH continued to provide advice and training to municipal administrators and elected officials in key subject areas such as municipal governance, elections, and strategic planning. DMAH supported municipal capacity by:

- Offering 19 training sessions for municipalities and villages across the province including workshops on the "Strategic Planning Toolkit," municipal meeting procedures, village oversight, and conflict of interest.
- Working collaboratively with partners, Nova Scotia Federation of Municipalities (NSFM) and the Association of Municipal Administrators Nova Scotia (AMANS), to identify new training opportunities for municipal administrators and elected officials.
- Supporting municipalities to prepare for municipal elections in October of 2024.
- Partnering with the Status of Women Office on the design and delivery of municipal campaign schools to prepare potential municipal candidates with the skills and resources they need to run for municipal office. Campaign schools help reduce barriers to participation in local democracy for all Nova Scotians, particularly underrepresented groups which include African Nova Scotians, Indigenous People, members of the 2SLGBTQ+ community, persons with disabilities, racialized persons and women.
- Facilitating the participation of provincial departments in conferences organized by NSFM and AMANS.

**Connect Municipal Perspectives to Key Government Initiatives:** The Department continues to build relationships between municipalities, provincial, and federal government departments to ensure municipalities are engaged in matters impacting them, and that the municipal perspective is brought

forward in key government initiatives. Specifically, DMAH worked with the Department of Natural Resources and Renewables on clean energy initiatives and the Department of Environment and Climate Change on engagement with municipal partners for the [Coastal Protection Plan](#).

**Municipal Modernization:** DMAH supported municipalities that are exploring structural change in their communities by sharing experiences, expertise, and knowledge regarding municipal modernization. The Department continues to meet with municipalities to provide insight on how the Government of Nova Scotia can assist municipalities in working beyond municipal borders to support initiatives that benefit the wider region.

## **EMERGENCY SERVICES**

*Protect and support our communities by preparing for emergencies:*

**Next Generation (NG) 911:** A Request for Proposal (RFP) process for NG 911 was conducted and discussions with the vendor are ongoing. The project is on schedule to be completed by early 2025.

**Emergency Response & Preparedness:** NSEMO more than doubled its training and exercises with municipal, federal, and critical infrastructure partners over the past three years to enhance emergency preparedness. This year, the Office of the First Marshal welcomed Indigenous counsellors to the Critical Incident Stress Management team to provide culturally proficient support for first responders.

**Nova Scotia Critical Infrastructure Resiliency Program:** NSEMO maintains and supports a network of over 100 critical infrastructure (CI) partners which includes provincial, municipal, and private sector owners, operators, and organizations. NSEMO supported the network by:

- Sending updates including estimated restoration times of power, fuel, and telecommunications during activations of the Provincial Coordination Centre (PCC) for emergency responses, and providing materials on potential hazards, and emergency best practices.
- Facilitating networking amongst CI and emergency management partners by convening meetings at least twice annually. In 2023, NSEMO convened “Nova Alpha 2023”, where all network partners discussed the topic of emergency activations.
- Providing a CI Technical Specialist during Level 2 and three activations of the PCC. The Specialist provided additional support during the wildland fire response in 2023.
- Continuing to participate on the CI Working Group comprised of federal/provincial/territorial partners.
- Engaging with other jurisdictions on best practices and emerging/existing threats to CI (e.g., co-chaired FPT meeting May 28, 2024).

## AFFORDABLE HOUSING

*Ensuring affordable, adequate, and suitable housing for all:*

**Establish a Provincial Housing Supply Baseline:** DMAH established a provincial housing supply baseline that will help DMAH determine future provincial investments and effectively address the housing crisis. In 2023-24, this was accomplished by:

- Publicly releasing the *Provincial Housing Needs Assessment* report in October 2023 and sharing specific assessments of local housing needs with each municipality.
- Comprehensively engaging Nova Scotians through public and stakeholder surveys, data collection and analysis; and consulting with postsecondary institutions. For example, the Department completed a public survey of over 20,000 individuals and 115 employers.

**Develop a Provincial Housing Strategy:** The Department developed a five-year provincial housing strategy to serve as a roadmap for addressing the housing needs of Nova Scotians. The Plan commits \$1.7B over five years to work with partners to drive forward 12 key actions within the three solution areas: increase housing supply, grow & sustain affordable housing, and deliver programs people need. Since the Plan was released, DMAH has made progress in each solution area.

**Build capacity within the Community Housing sector and incentivize transformation toward sustainable operating models:** In 2023-24, the Department invested \$57M to support the sector with:

- Six new housing supply projects with community housing partners for a total investment of \$36M. These projects will deliver 164 new units of which 128 of these will be affordable. This builds on the \$32.5M that was invested in 2022-23 for eight community housing projects to develop 203 units, 171 of which will be affordable.
- \$21M to support ongoing programming targeted to building the capacity of the sector, including repairs to existing Indigenous housing units, investment in repair of public housing units to be transferred to the Preston Area Housing Fund, needed infrastructure repairs and operating support for community groups experiencing financial difficulty, and 'seed funding' grants approved through the Community Housing Growth Fund.

**Deliver programs people need, including access to housing for low-income households:** In 2023-24, DMAH delivered programs that assisted almost 12,000 households, including home repair programs Residential Rehabilitation Assistance Program for Rentals, rent supplement program, Community Housing programming, affordable housing new supply investments, and the Down Payment Assistance Program.

- To meet the urgent housing needs of low-income Nova Scotians, DMAH announced an investment of an additional \$8.1M in February 2024 for DMAH to secure 25 new two- and three-bedroom modular units, further expanding the public housing portfolio. Of these, six are barrier-free and 13 will have accessibility features.
- As part of a commitment to continuous improvement, the Department reviewed the portable rent supplement program and adjusted it to improve equity across client groups, target available resources to households in deepest need, improve program operational efficiency, and ensure financial sustainability of the program.



- DMAH began work on the Home Repair and Adaptation Program modernization project to review and assess the operations of DMAH's home repair initiatives and identify service bottlenecks with the goal of improving program delivery. DMAH completed the operational assessment with work continuing into 2024-25 on reviewing the final report's recommendations and implementation plans.
- DMAH invested an extra \$21M to create 1,000 new rent supplements in 2023-24. By the end of 2023-24 there were 8,051 active rent supplements.
- The Department began developing a new \$11.4M housing benefit program to provide survivors of gender-based violence with assistance for housing for up to two years.

**Work with diverse partners to preserve existing affordable housing** including piloting transformation initiatives and **increasing supply** by leveraging provincial land for housing and designated special planning areas for development: In 2023-24, DMAH collaborated with partners on these transformative actions:

- Loaning more than \$10.4M to community housing organizations for eight projects through the **Community Housing Acquisition Program** to preserve over 76 affordable homes, 64 of which are supportive housing units.
- **Preserving 242 affordable units** through the **Community Housing Infrastructure Repair Program**.
- Leveraging public assets to their fullest capacity, the **Strategic Asset Management Framework** was launched. This work included initiating a pilot project to explore opportunities to add density where public housing already exists while working with tenants, communities, and our partners in the community housing sector.
- Offering the **Land for Housing Program** which enabled 32 Property Opportunity Notices to be released and the submission of 34 proposals. As of March 31, 2024, eight proposals were conditionally approved accounting for 522 units (of which 245 are affordable) and two additional proposals were awarded where proponents have since withdrawn their interest.
- Partnering with the federal government to build **222 new public housing units** in communities across Nova Scotia. The new buildings will have a mix of one, two and three-bedroom units. The bottom floor of each building will feature fully accessible units. At least 80 of the new units will be barrier-free. This is a multi-year investment of \$83M partially supported by \$24.2M in federal funding through the *National Housing Strategy* Bilateral Agreement (\$58.8M from the Province and \$24.2M from Canada Mortgage and Housing Corporation).

**Work with municipalities to support amendments to the *Municipal Government Act* that enable them to:**

- Provide financial assistance to a business if the financial assistance is for the purpose of increasing the availability of affordable housing, and
- Permit municipal councils to accept money in lieu of affordable housing provisions.

**Ensure more supply gets to market quickly, including reducing barriers to housing development, and implementing the recommendations from the Deloitte Report through the [Executive Panel on Housing in the HRM](#).** The Panel was established in November 2021 under the *Housing in the Halifax Regional Municipality Act*. The Panel is focused on initiatives that will help expedite the development of housing stock in HRM. In 2023-24, the Panel's results included:

- The approval of a budget of \$5M over three fiscal periods (\$1.25M in 2022-23, \$2.5M in 2023-24, and \$1.25M in 2024-25).
- Substantially enabling the acceleration of development through the designation of 11 special planning areas that will result in **over 23,000 housing units being brought to market** between three and 24 months earlier than would otherwise have been the case.
- Partnering on and funding studies to enable development in identified growth areas, and to remove barriers for key workers to help build more homes.
- Collaborating with key partners to support legislative changes to the *Halifax Charter* and *Housing in the HRM Act* to accelerate development and increase housing supply.

#### PLANNING AND INFRASTRUCTURE

*Building climate change capacity and resilience through improved planning:*

**Climate Change Adaptation and Resilience:** The Department supported the Minister of Environment and Climate Change (ECC) with the implementation of the [Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth](#) by building capacity and resilience to adapt to climate change through the initiatives that:

- Worked towards improved municipal stormwater infrastructure by updating planning requirements to help develop stormwater management plans with a focus on high-risk areas.
- Provided ongoing support for municipal flood line mapping projects.
- Co-developed the work plan for the Municipal Stormwater Management Planning Project with ECC. As part of this workplan, DMAH:
  - Released an RFP for a Municipal Needs Assessment.
  - Provided funding to Université de Moncton to research a drainage coefficient tool.
  - Provided funding to Dalhousie University to examine regional trends in peak stormwater flow.

**Municipal Flood Line Mapping Program (MFLMP):** The Department collaborated with municipal staff and the federal government through their Flood Hazard Identification and Mapping Program to deliver the MFLMP. This year, DMAH mapped one-third of the major watersheds across the province. Funding from the Climate Change Plan was provided to partner organization, NSFM, to coordinate regional workshops.

*Funding for our communities:*

In 2023-24, the Department delivered multiple cost-shared infrastructure programs with federal support to municipalities and third-party entities. In addition to these cost-shared programs, DMAH supported communities through several provincially funded programs that address needs such as restoration,

accessibility, emergency services equipment, disaster mitigation, streetscaping, municipal innovation, and capital assistance for water and solid waste projects.

**The Department delivered the following cost-shared infrastructure programs:**

- **Investing in Canada Infrastructure Program (ICIP)** – DMAH worked closely with the Departments of Public Works and Natural Resources & Renewables as a delivery partner for the ICIP program, which runs until 2034. DMAH continued to provide responsible administration of 117 approved Municipal and Third-Party Entity projects worth a total combined investment of \$1.27B by the federal, provincial, and municipal governments. ICIP funding categories are Transit, Green, Community Culture and Recreation (Social), Rural and Northern Communities and Covid-19 Resilience.
- **New Building Canada Fund (NBCF) – Small Communities Fund (SCF) and National and Regional Projects (NRP) Streams.** The Department supported the provincial investment and administration of \$102M in NBC funds. The NBCF is divided into two funding streams –SCF and NRP – which are designed to support infrastructure projects of national, regional, and local significance that contribute to economic growth, a clean environment, and stronger communities. The SCF provides contribution funding for local infrastructure projects in small communities with populations of 100,000 people or less while the NRP supports infrastructure projects of national and regional significance.
  - DMAH invested \$53M in SCF projects as part of the combined cost-shared investment of \$128M with federal and municipal partners. Since 2014, the Department administered SCF funding to 12 municipal projects of which 11 are complete.
  - The Province has contributed \$49M as part of the total combined federal, provincial, and municipal investment of \$160M. Since 2014, the Department has administered NRP funding to 12 municipal projects of which 11 are complete.
- **Canada Community Building Fund (CCBF)** - DMAH continued to deliver infrastructure funding through the CCBF. CCBF is a federal transfer-based program which provides flexible long-term funding for municipalities to help build and revitalize local public infrastructure. The current CCBF agreement is effective from April 1, 2014, to March 31, 2024, and represents a 10-year federal investment of over \$681M (approx. \$55-60M per year) to Nova Scotian municipalities. The Department continues to actively negotiate for a renewed CCBF 10-year agreement.
  - As part of the NS Asset Management Program, enabled through the CCBF, the Department made significant upgrades to tools and resources for municipalities in preparation of the relaunch of the Infrastructure Registry for Municipal Assets (IRMA) planned for 2024-25. IRMA is a tool to help remove barriers for municipalities to make informed, evidence-based decisions to manage municipal assets.

The Department delivered several **provincially funded programs:**

- **Municipal Capital Growth Program** – The Department created a new program to help communities address critical capacity issues, expand their services, build more accessible and adaptable communities, and restore contaminated land to allow for future development. DMAH approved 64 projects for a total provincial investment of \$103M. Of these, nine accessibility-related projects were approved for a total combined investment of \$9.5M.

- **Emergency Services Provider Fund** – Invested \$1.5M to help 80 first responder organizations purchase safety equipment.
- **Provincial Capital Assistance Program** – Invested \$704K in 16 communities for water, wastewater, stormwater, and solid waste projects across Nova Scotia.
- **Municipal Innovation Program** – Supported three municipal innovation and regional collaboration projects for a total investment of \$450K.
- **Beautification and Streetscaping Program** – Provided \$570K to promote tourism and enhance the beauty of communities.
- **Community Works Program** – Supported 14 projects valued at \$312K to create job opportunities for unemployed people to gain skills and experience in their fields.
- **Sustainable Services Growth Fund (SSGF)** – The SSGF provided a one-time transfer of \$32M in 2022-23 to support capital infrastructure needs in growing communities across the province. This year, DMAH continued to support municipalities in delivering services to Nova Scotia’s growing population through ongoing projects scheduled to end in 2025.
- **Disaster Mitigation and Adaptation Fund** – Supported the Pictou Market Wharf and Breakwater Replacement Project by investing \$1.8M to complement federal funding.

## ACCESSIBILITY

**Increase Accessibility Capacity through Partnership and Funding:** DMAH continued to work collaboratively with the Accessibility Directorate to advance [Access by Design 2030](#). The Department built accessibility capacity through partnerships, municipal funding programs, and projects that reduce barriers to accessible housing for Nova Scotians. In 2023-24, the Department achieved these outcomes:

- Continued to provide expert advice to the Directorate regarding engagement with municipalities and villages.
- Built relationships between the Province and the AMANS and provided funding to create three Municipal Accessibility, Equity, and Inclusion Coordinator positions and one Municipal Accessibility Auditor based in municipalities across Nova Scotia.
- Helped to align [Access by Design 2030](#) to *National Building Code* standards.
- Integrated accessibility into the new Municipal Capital Growth Program in 2023-24 and funded nine accessibility projects at a total value of \$9.5M.
- Offered accessibility programming to lower-income homeowners and lower-income tenants through these initiatives:
  - Residential Rehabilitation Assistance Program for Persons with Disabilities (Homeowner),
  - Residential Rehabilitation Assistance Program for Persons with Disabilities (Landlord),
  - Access-A-Home, and
  - Home Adaptations for Seniors Independence.

## Financial Summary and Variance Explanation

### Departmental Expenses Summary (\$ thousands)

<u>Programs and Services</u>	<u>2023-2024 Estimate</u>	<u>2023-2024 Actuals</u>	<u>2023-2024 Variance</u>
Senior Management	1,097	1,210	113
Corporate Policy & Innovation	1,580	1,639	59
Municipal Sustainability	295,215	336,138	40,923
Emergency Management Office	12,880	91,221	78,341
Housing	243,626	502,996	259,370
<b>Total - Departmental Expenses</b>	<b>554,398</b>	<b>933,204</b>	<b>378,806</b>
<b>Additional Information:</b>			
Ordinary Revenues	23,878	27,553	3,675
Ordinary Recoveries	283,352	308,113	24,761
<b>Total: Revenue, Fees and Recoveries</b>	<b>307,230</b>	<b>335,666</b>	<b>28,436</b>
TCA Purchase Requirements	23,598	16,824	(6,774)
<b>Funded Staff (# of FTEs)</b>			
<b>Department Funded Staff</b>	178.8	166.1	(12.7)

#### **Departmental Expenses Variance Explanation:**

Department of Municipal Affairs and Housing expenses were \$378.8M or 68.3 per cent higher than the estimate primarily due to \$231.5M due to the transfer of Housing NS assets (and associated liabilities) to the Department, \$102.8M for the Municipal Capital Growth Fund grants, \$78.3M in partly recoverable Disaster Assistance relief for flooding and wildfires, and \$32.7M for initiatives such as modular housing and National Housing Strategy.

These increases were partially offset by a \$69.1M decrease in Federal Infrastructure program grants due to project delays.

#### **Revenue, Fees and Recoveries Variance Explanation:**

Department of Municipal Affairs and Housing recoveries and revenues were \$28.4M or 9.3 per cent higher than the estimate due to increased recoveries from the Federal Government, primarily due to disaster relief recoveries \$54.0M and Housing program \$12.2M recoveries, and increased Miscellaneous revenues of \$3.6M.

These were offset by decreased (\$38.5M) infrastructure program recoveries due to project delays, and (\$2.9M) for Miscellaneous Program recoveries.

**TCA Purchase Requirements Variance Explanation:**

The Department of Municipal Affairs and Housing Tangible Capital Asset purchase requirements were (\$6.8M) lower, primarily due to the delays in construction for Housing projects (\$10.6M) and delays in procurement (\$4.3M) for the Next Generation E911 system project, offset by an increase \$8.4M for Modular Homes in response to the Wildfires and health care worker support.

**Provincial Funded Staff (FTEs) Variance Explanation:**

Delays in filling vacancies account for lower than expected (12.7) 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 and Housing.

Information Required under Section 18 of the Act	Fiscal Year 2023-2024
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 and Housing in 2023-24.