



Ref: 257389

December 8, 2020

Brian Reardon, Chief Administrative Officer
Regional District of Central Okanagan
1450 KLO Road
Kelowna BC V1W 3Z4

Re: North Westside Governance

Thank you for taking up the offer from then Acting Deputy Minister Silas Brownsey to invite Ministry staff to participate in discussions about planning for a governance study in the North Westside area. This memorandum serves as a starting point to discuss possible approaches that will fit within Ministry restructure study program parameters.

Restructure Study Program

The Ministry restructure program supports the evolution of the structure of local governments to best fit local needs, as well as local and provincial objectives. This can include examinations of the pros and cons of changes in local government services or structures to strengthen local and regional governance. The restructure program exists because changes can be complex, and the consequences can be significant for communities and their local governments. Each community has a unique history, geography, economy, and demographic profile. While there is no one-size-fits-all "checklist" for incorporation, there is preliminary work that needs to be conducted before an incorporation study.

This preliminary study process typically consists of local education opportunities and encourages grounded conversations about motives for change. It is also an opportunity for the entire community to have important, complex, and sometimes emotional discussions about local governance without immediate pressure to decide on an outcome. This preliminary phase is important because it can bring to light alternative solutions to an incorporation study. For example, different approaches to implementing an existing structure can sometimes satisfy local concerns.

The *Local Government Act* provides flexibility with electoral area boundaries, establishment of advisory or management commissions for service delivery, and broad scope with communication and public engagement approaches to meet the unique needs of rural communities. For many communities, exploring issues and options within this framework may be timelier and less expensive to implement.

The Ministry also needs to be confident that the local community's motives for change have been fully explored. Ministry incorporation study funds are only committed when there is confidence

that community concerns are well-founded, the implications of change are generally appreciated, and the issues leading to the request can be solved through additional studies.

As you know, the Ministry and Regional District of Central Okanagan (RDCO) commissioned a study of North Westside services and community issues in 2017. It was hoped at the time that this might support or clarify possible pathways forward. Based on interviews, surveys and open houses, the consultants observed that:

- erosion of trust was impacting relations among and between the community and RDCO;
- misinformation was prevalent within the community and information was difficult to locate;
- there is a persistent feeling among community members that the community's interests are not represented by the RDCO Board or staff; and
- community members feel that service costs, including administrative overheads, are too high.

This is a significant indication that local concerns may be based on misunderstood or incorrect facts and is an inadequate basis for proceeding directly to an incorporation study.

Study Process

As we have previously discussed, grants are available to local governments to support the study of local governance, services, and structures. The application format is a request to the Minister of Municipal Affairs that broadly outlines the objectives of the proposed study and estimates a reasonable budget for the work.

For a governance and services study, the objectives are often to share information about the current configuration of governance and services in the area, gather input from the community, and to ascertain options for an appropriate governance model that is best suited to serve the area.

If the Minister sanctions a study process, the Ministry would help develop terms of reference to meet those objectives and deliver grants for hiring a consultant with expertise in local governance, services and finance to undertake the study. The local government would assign responsibility for study oversight and hire an independent consultant to conduct the study based on the terms of reference.

Most studies involve three phases of activity – background research and preparation, community outreach and engagement, and then analysis and reporting. At the outreach and engagement stage, a preliminary synthesis of the findings is typically shared with the community, and additional input or observations sought.

The study consultant will then be able to evaluate different approaches to addressing community concerns with an appreciation of the issues, interests, values and challenges for the communities and provide a summary in the final report. At the conclusion of the study, a final report is delivered to the local government and may be presented to the community.

Once a final report is completed, it is important for the local government to decide on a scope and approach about how a decision to explore one or more options to address issues identified in the report would be made. For example, what process would the local government use to decide on a next

step or sequence of initiatives if a final report highlights options already within the authority of the local government to implement as well as options that require further study and Provincial implementation.

Scope & Approach for the North Westside

Although the North Westside Communities Association (Association) has specified it is seeking a study on incorporation, it would be premature to begin with a study process that implies the community can choose incorporation at the end. The benefit is unclear in providing an estimated cost of operating a municipality on the scale of the North Westside, without an appreciation of the current context or reasonable exploration of less sweeping alternatives.

At this stage, the RDCO and the Association may wish to discuss the merits of either undertaking local initiatives as outlined in the 2017 study to address the issues or undertaking a governance and services study to identify and evaluate options to address community concerns with the current electoral area governance and service delivery.

The Ministry understands that the RDCO established a committee to discuss the issues identified in the 2017 study. While the committee's terms of reference have not yet been finalized, it could be tasked with work focused on the three considerations outlined in the study:

- Improve communications, clarify expectations and constraint on available information, and clarify the role of the Electoral Area Director in community-regional district relations;
- Establish a means of regular dialogue between North Westside residents and the RDCO; and
- Conduct a detailed diagnostic assessment of the service areas and costing.

In collaborating on this work, the RDCO and Association may contribute to the restoring the lost confidence and trust that was impacting relations among and between the community and RDCO personnel. The Ministry could then consider results of an updated survey to re-assess the request to fund a restructure study.

Alternatively, the RDCO and the Association could make a formal request to the Ministry to fund a governance and services study that would provide a more detailed assessment of representation, service costs, and service delivery than the 2017 study. The purpose of this study would be to describe the interests and values of the community, to identify and broadly outline the advantages and disadvantages of options to address service and representation concerns and to broadly outline the advantages and disadvantages of their implementation.

Whichever path is chosen, the parties will have to keep an open-mind to all opportunities going forward, and the options suggested above do not need to be mutually exclusive. Ministry staff are looking forward to hearing from the RDCO.

Sincerely,



Marijke Edmondson, Director
Governance and Structure Branch

pc: Gord Milsom, Vice-Chair
Regional District of Central Okanagan