



# 2020 Budget Notes: Office of the Integrity Commissioner

*Budget submissions from the Accountability Officers (Auditor General, Integrity Commissioner, Lobbyist Registrar and Ombudsman) have not been the subject of an administrative review and have not been submitted to the City Manager or Chief Financial Officer and Treasurer for review, approval or recommendation prior to submission to the Budget Committee as set out in Chapter 3 of the Toronto Municipal Code, "Accountability Officers."*

*While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-3826 or at [integrity@toronto.ca](mailto:integrity@toronto.ca).*

## What we do

The Integrity Commissioner is responsible for providing advice, education, policy recommendations and complaint resolution to City Council, local boards, their members and the public on the application of the City's Codes of Conduct, bylaws, policies and legislation governing ethical behaviour. Of note, as of March 1, 2019, the Integrity Commissioner is responsible for providing members of Council and local boards with advice about complying with the *Municipal Conflict of Interest Act* (MCIA) and for receiving and investigating complaints under the Act and, where warranted, to apply to court to determine whether a member or former member has breached its requirements.

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## Why we do it

The *City of Toronto Act, 2006* requires that there be an Integrity Commissioner who carries out the above-mentioned functions in an independent manner. The Commissioner oversees compliance with the high standards of conduct expected of elected and appointed City officials in a neutral and independent manner. The Integrity Commissioner is part of the City's Accountability Framework which works to improve the public's trust and confidence in City government.

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## Who we serve

- The Public
- Members of City Council
- Members of Local Boards
- Members of Adjudicative Boards
- City Council
- The Toronto Public Service
- Staff in Councillor's Offices
- Staff of Boards









## Budget at a glance

INTEGRITY COMMISSIONER-RECOMMENDED OPERATING BUDGET			
\$Million	2020	2021	2022
Revenues	\$0.0	\$0.0	\$0.0
Gross Expenditures	\$0.8	\$0.8	\$0.8
Net Expenditures	\$0.8	\$0.8	\$0.8
Approved Positions	3.0	3.0	3.0

## Key service outcomes

Outcomes	Description
<b>Members of Council and local boards comply with the Code of Conduct and Municipal Conflict of Interest Act (MCIA).</b>	Provide timely, practical advice to members of Council and local boards about compliance with the Code of Conduct and Municipal Conflict of Interest Act (MCIA).
<b>Complainants and respondent are satisfied with investigation procedures.</b>	Review and investigate complaints about alleged Code of Conduct and MCIA contraventions in a timely and procedurally-fair manner.
<b>Code of Conduct and MCIA requirements are broadly recognized and understood.</b>	Provide education and outreach to improve awareness of the Code of Conduct, MCIA and the Integrity Commissioner as a resource.
<b>Council and boards are able to implement policies that reflect high standards of integrity and accountability.</b>	Provide policy recommendations about matters of ethics and integrity.

## Goals and metrics

Planned Activities to Achieve Outcomes		2018 Actual	2019 Proj. Actual	2020 Target	Status
	Provide advice to members of Council within two business days.	87%	70%	80%	
	Provide advice to members of local boards within two business days.	78%	73%	80%	
	Meet with the City's local boards.	6	21	20	
	Complete investigations in a timely manner.	277	279	180	

## Our experience and success

- Provided 146 pieces of advice to 23 members of Council and members of 26 different local boards.
- Provided advice to members of Council within two days or less 70% of the time.
- Provided advice to members of local boards within two days or less 73% of the time.
- Processed over 20 donor declaration forms for community events and sponsored travel.
- Completed 93% of complaints received in 2019.

## Key challenges and risks

- Concurrent requests for advice result in delay.
- Concurrent and/or complex investigations impact conclusion of other investigations.
- MCIA investigations have mandatory timelines.
- Witnesses who refuse to comply with summonses cause delay and hamper investigations; enforcing summonses requires external legal resources.
- Complex and/or large investigations may require external legal/forensic resources for completion.
- Investigations and reports may be subject to legal challenge.
- Codes and policies need to be reviewed and updated.
- Training and outreach for members and staff needs to be continually updated and provided.

## Priority actions

- Provide timely advice and updated training to members and staff.
- Review Codes and policies.
- Obtain approval and funding to retain external/forensic resources on an as needed basis.
- Improve capacity of the Office to deal with concurrent or complex investigations and matters under the MCIA.

## Our key service levels



Provide advice to members within two business days.



Raise awareness of the Code of Conduct with all members of Council and local boards.



Provide policy recommendations to Council and local boards



Investigate complaints in a timely manner

## Key service deliverables

- Provide timely, practical advice to members of Council and local boards about compliance with the Code of Conduct and the *Municipal Conflict of Interest Act* (MCIA).
- Review and investigate complaints about alleged Code of Conduct and MCIA contraventions in a timely and procedurally-fair manner.
- Provide education and outreach to improve awareness of the Code of Conduct, MCIA and the Integrity Commissioner as a resource.
- Provide policy recommendations about matters of ethics and integrity

## RECOMMENDATIONS

The Integrity Commissioner recommends that:

1. City Council approve the 2020 Operating Budget for the Office of the Integrity Commissioner of \$0.762 million gross and net.

	<b>Gross (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net (\$000s)</b>
<b>Total Office Budget</b>	<b>762.4</b>	<b>0.000</b>	<b>762.4</b>

2. City Council approve the 2020 staff complement for the Office of the Integrity Commissioner of 3.0 positions.
3. City Council request the City Manager and the Chief Financial Officer to report back in 2020 on the feasibility of establishing a reserve to fund investigations or external legal services required by the Office of the Integrity Commissioner.

### Office of the Integrity Commissioner:

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2020 INTEGRITY COMMISSIONER-  
RECOMMENDED  
OPERATING BUDGET

## 2020 OPERATING BUDGET OVERVIEW

Table 1: 2020 Integrity Commissioner-Recommended Operating Budget

(\$000s)	2018 Actual	2019 Projected Actual	2020 Base Budget	2020 New / Enhanced	2020 Integrity Commissioner Rec'd Budget	Change v. 2019 Projected Actual	
By Service	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>							
Office of the Integrity Commissioner					0.0	0.0	
<b>Total Revenues</b>	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Expenditures</b>							
Office of the Integrity Commissioner	507.2	447.3	762.4		762.4	315.1	70.5%
<b>Total Gross Expenditures</b>	507.2	447.3	762.4	0.0	762.4	315.1	70.5%
<b>Net Expenditures</b>	507.2	447.3	762.4	0.0	762.4	315.1	70.5%
<b>Approved Positions</b>	3.0	3.0	3.0	0.0	3.0	0.0	

\*2019 Budget and Actuals (based on Q3 2019) adjusted retroactively to remove interdepartmental charges and recoveries.

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2020 Base Budget** of \$0.762 million gross and net reflecting an increase of \$0.315 million in spending above 2019 projected year-end actuals, predominantly arising from:

- Vacancy in existing permanent legal counsel position that could not be filled due to former commissioner's end of term, resulting in almost no salary & benefits expenditure in 2019 and an underspending of \$0.125 million.
- Salary & benefit increases related to progression pay, one additional working day in 2020 and benefit adjustments.
- Increase of \$0.188 million to bring legal expense and investigative expense budgets to \$0.200 million for the Office to have capacity to meet appropriate service levels, deal with concurrent and/or complex matters, and meet statutory time limits.

With existing resources, the average length of time to complete cases does not meet required statutory time periods for MCIA complaints. As of October 31, 2019, it takes an average of 279 days to complete investigations, which exceeds the desired performance standard and the time limit of 180 days for matters under the Municipal Conflict of Interest Act (MCIA). The Office has not had resources to complete complex matters within desired timeframes, complete concurrent investigations within desired timeframes, or take legal steps when necessary to enforce compliance with summonses issued. Complex matters may also require forensic and expert investigative resources that cannot be provided by City staff.

The Commissioner, therefore, recommends the establishment of a budget for external legal and investigative support to afford the OIC flexibility to respond on an as-needed basis to manage concurrent and complex cases. The establishment of a stable, contingency-based budget will provide the Office capacity to respond in a timely fashion to a variable workload.

A suitable budget for external legal services is required as the activities of the Office may be subject to judicial review for which legal representation is required. Additionally, there are new duties arising from recent legislative amendments to the MCIA. The Integrity Commissioner has a statutory duty to provide advice about the application of the MCIA and is mandated to institute legal proceedings where he is of the opinion the Act has been breached. The Integrity Commissioner will require representation should he make an application pursuant to the MCIA to the Ontario Superior Court of Justice and in any subsequent appeals.

Establishing a suitable budget for external legal and investigative services is necessary to protect the independence of the Office, enabling it to respond appropriately within its own budget to concurrent and/or complex cases and legal proceedings.

### EQUITY IMPACTS OF BUDGET CHANGES

**Not applicable.**

**2020 INTEGRITY COMMISSIONER-RECOMMENDED OPERATING BUDGET KEY DRIVERS**

The 2020 Integrity Commissioner-Recommended Operating Budget for the Office of the Integrity Commissioner is \$0.762 million gross and net or 70.5% higher than the 2019 Projects Actuals. Table 2 below summarizes the key cost drivers for the base budget.

**Table 2: 2020 Key Drivers – Base Budget**

Key Cost Drivers (\$000)	2018 Actuals	2019 Proj. Actuals	2020 Integrity Commissioner Rec'd Base Budget	Year over Year Changes	
				\$	%
<b>Expenditures</b>					
1 Salaries and Benefits	470.8	425.5	549.5	124.0	29.1%
2 Materials & Supplies	0.3	1.6	0.6	(1.0)	-60.3%
3 Equipment	0.5	0.1	0.3	0.2	430.2%
4 Service and Rent	31.1	18.6	210.6	191.9	1029.9%
5 Contribution To Capital					
6 Contribution To Reserves	4.5	1.4	1.4		
7 Other Expenditures					
<b>Total Expenditures</b>	<b>507.2</b>	<b>447.3</b>	<b>762.4</b>	<b>315.1</b>	<b>70.5%</b>
<b>Revenues</b>					
1 Provincial Subsidies					
2 Federal Subsidies					
3 User Fees & Donations					
4 Transfers From Capital					
5 Other Revenues					
<b>Total Revenues</b>					
<b>Net Expenditures</b>	<b>507.2</b>	<b>447.3</b>	<b>762.4</b>	<b>315.1</b>	<b>70.5%</b>

\*2019 Q3 Proj Actuals and 2018 Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Salaries & Benefits:**

- Salary & benefit budget for one vacant permanent position in 2019 that could not previously be filled due to former commissioner's end of term.
- Salary & benefit increases related to progression pay, one additional working day and benefit adjustment.

**Service and Rent:**

- Increase to Legal and Investigative Services budget to provide the Office the capacity to meet appropriate service levels, deal with concurrent and/or complex matters, and meet statutory time limits.
- Economic factor adjustments for non-payroll items.

**Note:**

1. For additional information on 2020 key cost drivers refer to [Appendix 1](#) for a more detailed listing and descriptions of the 2020 Integrity Commissioner-Recommended Changes.

**2021 & 2022 OUTLOOKS****Table 3: 2021 and 2022 Outlooks**

<b>(\$000s)</b>	<b>2019 Projected Actual</b>	<b>2020 Integrity Commissioner Rec'd Budget</b>	<b>2021 Outlook</b>	<b>2022 Outlook</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revenues				
Gross Expenditures	447.3	762.4	779.7	798.7
<b>Net Expenditures</b>	<b>447.3</b>	<b>762.4</b>	<b>779.7</b>	<b>798.7</b>
<b>Approved Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

\*2019 Q3 Projected Actuals adjusted retroactively to remove interdepartmental charges and recoveries

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## Key 2021 drivers

Summarize key drivers/changes reflected in outlooks

### Salaries and Benefits

- Progression and benefit adjustments

### Inflationary Impact

- Economic factor adjustments for non-payroll items
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## Key 2022 drivers

Summarize key drivers/changes reflected in outlooks

### Salaries and Benefits

- Progression and benefit adjustments

### Inflationary Impact

- Economic factor adjustments for non-payroll items
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## How well we are doing (As of October 31, 2019)

### Performance measures

### Behind the numbers

#### Advice

- Provided 105 pieces of advice to 23 members of Council and 41 pieces of advice to members of 26 different local boards.
  - Provided advice to members of Council within two business days 70% of the time.
  - Provided advice to members of local boards within two business days 73% of the time.
- The amount of advice issued to members of local boards is expected to be higher than 2018.
  - While the number of advice requests is reduced due to the smaller Council size, number of requests is not reduced proportionately to the Council reduction. In 2018, there was an average of 3.3 requests for advice from each member. Currently, it is 4.1 requests per member.
  - Response time has been slower due to the increasing complexity of cases and lack of resources as well as conflicting need to complete cases in a timely manner.

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#### Complaints

- Completed 93% of complaints received in 2019.
  - Average number of days to complete an investigation: 279
  - Median number of days to complete an investigation: 248.5
  - Average number of days to close a dismissal case: 62
  - Median number of days to close a dismissal case: 38
- Complaints received in 2019 were completed 13% faster than in 2018.
  - The average number of days to complete an investigation has increased by two days. The median number of days has decreased by 9.5 days.
  - The average number of days to complete a dismissal case has increased by 12 days and the median number of days has increased by one day.

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#### Education and Outreach

- Met with 19 local boards to provide outreach and awareness of the Code of Conduct.
  - Responded to 212 inquiries from the public, City staff, the media and Ombudsman Ontario.
  - Issued five direct outreach letters to members of Council.
  - Participated in six external outreach events.
  - Attended two meetings of the Municipal Integrity Commissioners of Ontario (MICO).
  - Provided administrative and leadership support to MICO.
- The number of inquiries has reduced to 2017 levels.
  - The number of reports from MICO on CanLII has increased by 329% for a total of 125 decisions.

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#### Policy

- Concluded preparation of Office for changes to Municipal Conflict of Interest Act (MCIA) and issued related Interpretation Bulletin.
  - Finalized and implemented a comprehensive records management plan for the Office.
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# APPENDICES

## Appendix 1

### 2020 Integrity Commissioner-Recommended Operating Budget by Expenditure Category

Category (In \$000s)	2017	2018	2019	2019	2020	2020 Change from	
	Actual*	Actual*	Budget*	Projected Actual **	Total Integrity Commissioner Recommended Budget	2019 Projected	Actual
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds							
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>							
Salaries and Benefits	440.5	470.8	550.5	425.5	549.5	124.0	29.1%
Materials & Supplies	0.4	0.3	1.6	1.6	0.6	(1.0)	(60.3%)
Equipment	0.5	0.5	0.1	0.1	0.3	0.2	430.2%
Service and Rent	55.1	31.1	18.6	18.6	210.6	191.9	1029.9%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	4.5	4.5	1.4	1.4	1.4		
Other Expenditures							
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	<b>501.0</b>	<b>507.2</b>	<b>572.3</b>	<b>447.3</b>	<b>762.4</b>	<b>315.1</b>	<b>70.5%</b>
<b>Net Expenditures</b>	<b>501.0</b>	<b>507.2</b>	<b>572.3</b>	<b>447.3</b>	<b>762.4</b>	<b>315.1</b>	<b>70.5%</b>
<b>Approved Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>		

\* Actuals and 2019 Budget adjusted retroactively to remove interdepartmental charges and recoveries

\*\* Year-End Projection Based on Q3 2019 Variance Report

## **Appendix 2**

### **Summary of 2020 Service Changes**

N/A

## **Appendix 3**

### **Summary of 2020 New / Enhanced Service Priorities Included in Budget**

N/A

## **Appendix 4**

### **Summary of 2020 New / Enhanced Service Priorities Not Included in Budget**

N/A

## **Appendix 5**

### **2020 Capital Budget; 2021 - 2029 Capital Plan Including Carry Forward Funding**

N/A

## **Appendix 6**

### **Reporting on Major Capital Projects: Status Update**

N/A

## **Appendix 7**

### **Summary of Capital Needs Constraints**

N/A

## **Appendix 8**

### **2020 User Fee Changes (Excludes User Fees Adjusted for Inflation)**

N/A

## Appendix 9

### Inflows and Outflows to/from Reserves and Reserve Funds

#### 2020 Operating Budget

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2020	2021	2022
		\$	\$	\$
Insurance Reserve Fund	XR1010			
<i>Withdrawals (-)</i>				
<i>Contributions (+)</i>		1.4	1.4	1.4

\* Based on 9-month 2019 Reserve Fund Variance Report

## Appendix 10

### Glossary of Terms

**Actuals:** An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

**Complement:** Positions that support the delivery of City services and service levels as approved by Council.

**Efficiencies:** Reductions in the cost of delivering a service without a reduction in service level.

**New / Enhanced:** New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

**Operating Budget:** An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

**Recommended Operating:** An operating budget recommended by Accountability Officer to City Council for consideration and approval.