

2022 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 integrity@toronto.ca.

Description

The Office of 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, *Municipal Conflict of Interest Act* (MCIA), bylaws, policies and legislation governing ethical behaviour.

Why We Do It

The *City of Toronto Act, 2006* and Chapter 3 of the Toronto Municipal Code require that City Council appoint an Integrity Commissioner. The Commissioner, as one of the City's four Accountability Officers, helps foster public confidence in the City's government and serves the public, City Council, local boards and their members by:

- **Increasing stakeholder awareness** about the rules in the elected and appointed members' Codes of Conduct and the *Municipal Conflict of Interest Act* (MCIA) so they understand the high standards of conduct members are required to meet.
- **Giving proactive advice to elected and appointed members** to help them perform their duties in a way that best serves the public and protects and maintains the City of Toronto's reputation and integrity.
- **Resolving complaints fairly and impartially** to ensure that allegations of member misconduct are evaluated, investigated, and concluded in a timely manner so that, if there is found to be misconduct, it can be reported to the court, City Council, or local board to impose a penalty or order remedial action.
- **Providing Council and City Staff with expert policy advice** about matters dealing with ethics and integrity to improve the City of Toronto's public administration and governance.

The Integrity Commissioner may also be assigned additional duties respecting ethical matters by City Council to promote public trust, good governance, and to protect and maintain the City of Toronto's reputation and integrity.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

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What Service We Provide

Increasing Stakeholder Awareness

Who We Serve: The public, members of Council, members of local boards (restricted definition), staff in elected members' offices, staff of boards, and City staff who want to understand the standards of conduct and the obligations of members.

What We Deliver: The Office maintains a webpage with the Commissioner's reports, public statements, interpretation bulletins, as well as legislative updates, information about best practices, and a searchable database of advice. The Office regularly responds to inquiries from the public and the media. Additionally, the Commissioner makes reports and presentations to City Council, local boards, City staff, and external organizations about integrity and accountability at the City of Toronto and in government.

Giving Proactive Advice to Appointed and Elected Members

Who We Serve: Members of Council and members of local boards (restricted definition) who request confidential advice about how to comply with the standards of conduct they are expected to meet.

What We Deliver: The Commissioner gives expert and timely advice about the interpretation and application of the applicable Code of Conduct, the MCIA, and any other relevant legislation and policies to ensure members are given the guidance they need to perform their duties in a way that protects and maintains the City of Toronto's reputation and integrity.

Resolving Complaints Fairly and Impartially

Who We Serve: The public, members of Council, members of local boards (restricted definition), City Council, City staff, staff in elected member's offices, and staff of boards who believe that a member of Council or local board (restricted definition) has contravened the Code of Conduct and/or MCIA.

What We Deliver: The Office receives complaints about alleged violations of the Code of Conduct and/or the MCIA by elected and appointed members. The Office has adopted comprehensive Complaint and Application Procedures to ensure complaints are assessed, investigated, and reported fairly and impartially. The procedures protect both the public interest and the rights and interests of complainants and respondents. The Commissioner's findings are of public significance as the issues concern whether the City of Toronto's elected and appointed officials have met the high standards of conduct required of them in performing their duties. In order to uphold the principles of transparency and accountability, the Commissioner's findings of misconduct are reported to Council or the local board and MCIA proceedings are publicly open and held in court. Far beyond the penalties and remedial action that Council, a local board, or a judge may order, the outcomes are crucial for upholding the principle of democratic accountability.

Providing Council and City Staff with Expert Policy Advice

Who We Serve: City Council and City staff seeking expert guidance to ensure policies are relevant and reflective of the highest standards of integrity.

What We Deliver: The Commissioner gives advice and makes recommendations to senior leaders in the City administration. The Commissioner also makes reports to Council, to ensure that the City of Toronto is a national leader in promoting high standards of conduct for government officials.

Budget at a Glance

2022 OPERATING BUDGET			
\$Million	2022	2023	2024
Revenues	\$0.1	\$0.1	\$0.1
Gross Expenditures	\$0.8	\$0.8	\$0.8
Net Expenditures	\$0.7	\$0.7	\$0.7
Approved Positions	3.0	3.0	3.0

How Well We Are Doing – Behind the Numbers (As of November 1, 2021)

Increasing Stakeholder Awareness

- The Commissioner requested to meet members of Council to review the purpose and objectives of his Office and the services it provides to them; 22 of 26 members scheduled time to meet.
- The Commissioner presented to the Toronto Parking Authority, five adjudicative boards, four BIA boards, and one arena board. This was a marked increase from the previous year but still fewer than the year prior to the COVID-19 pandemic.
- The Office responded to 140 inquiries from the public, City staff, the media and Ombudsman Ontario, which is a 14% decrease from the previous year.
- The Commissioner sent four open letters to members of Council providing advice and information about:
 - Environment Days, unsolicited requests, and how to accept donations (February 2021).
 - Decorum in Council (March 2021).
 - Requirements during the 2021 Federal Election (August 2021).
 - Hosting Community Events and accepting donations (October 2021).
- The Commissioner wrote to the Government of Ontario concerning its consultations about municipal Codes of Conduct (March 2021).
- The Commissioner presented to the Financial Management Institute of Canada (Ontario Chapter) about the interface between elected officials and municipal public servants (May 2021).
- The Office updated its webpage content to explain the complaints process, updated the complaints procedures, and simplified the forms to file complaints.
- The Commissioner spoke at a symposium hosted by York University about updating municipal Codes of Conduct (May 2021).
- The Commissioner participated in two meetings of the Municipal Integrity Commissioners of Ontario (MICO) and the Office posted 16 reports from MICO to the CanLII database.
- The Office continued to partner with the Community Research Partnerships in Ethics (CRPE) program at the University of Toronto. The Office is working with a student for the 2021/22 academic year.
- The Commissioner worked with provincial and federal accountability officers to host the 2021 Public Sector Ethics Conference.
- The Commissioner responded to 2 media inquiries.

Giving Proactive Advice to Appointed and Elected Members

- The Commissioner gave advice on 40 questions from members of Council and 20 questions from members of local boards.
- The Office received and processed three gift declaration forms in connection with a Community Event that was able to observe public health restrictions.

Resolving Complaints Fairly and Impartially

- The Commissioner submitted one report to Council with findings of misconduct about a former member of Council (July 2021).
- The Commissioner dismissed one application under the MCIA.
- Of the complaints received in 2021, 82% were closed following a review and/or investigation.
- The average and median number of days to complete an investigation are 278 and 248.5, respectively. This is comparable with last year.
- The average and median number of days to close a complaint at the intake stage are 49 and 30 respectively. This is comparable with last year.

Providing Council and City Staff with Expert Policy Advice

- The Commissioner submitted one report to Council, which was adopted, recommending the review and updating of the City's Codes of Conduct (April 2021).
- The Commissioner was consulted about improving accountability in the City's procurement process (October 2021)
- The Commissioner sent an open letter to members of Council to advise of provincial consultations to update municipal Codes of Conduct (July 2021).

How Well We Are Doing (As of November 1, 2021)

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Increasing Stakeholder Awareness	Twenty presentations to local boards	21	3	TBC	10	N/A	TBC	TBC
Increasing Stakeholder Awareness	Yearly meetings/presentations to members of Council and their staff	22 (85%)	23 (88%)	26 (100%)	22 (85%)	●	26 (100%)	26 (100%)
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of Council within two business days	79%	74%	75%	78%	●	75%	75%
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of local boards within two business days	73%	52%	75%	75%	●	75%	75%
Resolving Complaints Fairly and Impartially	Complaints closed in same year received	88%	76%	75%	82%	●	75%	75%
Providing Council and City Staff with Expert Policy Advice	Provide relevant and timely policy recommendations	3	1	TBC	2	N/A	TBC	TBC
Service Level Measures								
Increasing Stakeholder Awareness	Number of inquiries responded to	236	191	180	140	●	180	180
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of Council	118	74	100	40	●	100	100

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of local boards	45	27	35	20	●	35	35
Resolving Complaints Fairly and Impartially	Average number of days to complete an investigation	279	282	270	190	●	270	270
Resolving Complaints Fairly and Impartially	Median number of days to complete an investigation	248.5	249	240	179	●	240	240
Resolving Complaints Fairly and Impartially	Average number of days to close a dismissal case	59	52	50	49	●	50	50
Resolving Complaints Fairly and Impartially	Median number of days to close a dismissal case	34	32	30	30	●	30	30
Providing Council and City Staff with Expert Policy Advice	N/A							

COVID-19 IMPACT AND RECOVERY

2022 Impact and Recovery

Operating Budget Impact

- There are no significant budget impacts expected in 2022 related to COVID-19.

Service Level Changes

- N/A
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EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success (As of November 1, 2021)

- Provided 60 pieces of advice for 40 questions from members of Council and 20 questions from members of local boards.
- Provided advice to members of Council within two days or less 78% of the time.
- Provided advice to members of local boards within two days or less 75% of the time.
- Processed three donor declaration forms for community events.
- Concluded 82% of complaints received in 2021.

Key Challenges and Risks

- Concurrent and/or complex requests for advice result in delay.
- Concurrent and/or complex investigations impact the conclusion of other investigations.
- MCIA investigations must be completed within tight/mandatory timelines.
- The MCIA requires the Commissioner to begin legal proceedings if misconduct is found.
- 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.
- Without the flexibility to retain specialized external legal/forensic resources on a temporary basis, the capacity of the Office to provide advice and complete investigations on complex/numerous matters is compromised.
- 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.
- Develop virtual training opportunities for board members and staff.
- Create accessible and practical educational materials for the public.
- Update procedures and forms and commence review of Codes of Conduct.
- Improve the capacity of the Office to deal with concurrent or complex investigations and matters under the Code of Conduct and MCIA.

RECOMMENDATIONS

The Integrity Commissioner recommends that:

1. City Council approve the 2022 Operating Budget for the Office of the Integrity Commissioner of \$0.762 million gross and \$0.662 million net:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Total Office Budget	761.6	100.0	661.6

2. City Council approve the 2022 staff complement for the Office of the Integrity Commissioner of 3.0 positions.

**2022 INTEGRITY COMMISSIONER
RECOMMENDED
OPERATING BUDGET**

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Office of the Integrity Commissioner		100.0	100.0	100.0		100.0		
Total Revenues		100.0	100.0	100.0		100.0		
Expenditures								
Office of the Integrity Commissioner	615.5	739.7	739.7	761.6		761.6	21.9	3.0%
Total Gross Expenditures	615.5	739.7	739.7	761.6		761.6	21.9	3.0%
Net Expenditures	615.5	639.7	639.7	661.6		661.6	21.9	3.4%
Approved Positions**	3.0	3.0	N/A	3.0	0.0	3.0	N/A	N/A

*2021 Projection based on Q3 Variance Report

**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget of \$0.762 million gross reflecting an increase of \$0.022 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increase in the overall services and rents budget mostly due to one-time cost related to digitization of the archival records which will increase efficiency, reduce space and support the hybrid working arrangements.
- Salary and benefit adjustments related to the realignment of budget to actual.

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in the Office of the Integrity Commissioner's 2022 Operating Budget do not have any significant equity impacts.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for the Office of the Integrity Commissioner is \$0.022 million gross or 3.0% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds			100.0	100.0	100.0		
Sundry and Other Revenues							
Inter-Divisional Recoveries							
Total Revenues			100.0	100.0	100.0		
Salaries and Benefits	382.3	504.7	524.0	552.5	528.2	(24.3)	(4.4%)
Materials & Supplies	0.7	0.7	0.7	0.7	0.7	0.0	0.9%
Equipment	3.4	0.9	0.3	0.7	0.3	(0.4)	(58.2%)
Service and Rent	37.5	7.8	124.8	95.8	142.4	46.7	48.7%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	1.4	101.4	90.0	90.0	90.0		
Other Expenditures							
Inter-Divisional Charges	0.1						
Total Gross Expenditures	425.4	615.5	739.7	739.7	761.6	21.9	3.0%
Net Expenditures	425.4	615.5	639.7	639.7	661.6	21.9	3.4%

*2021 Projection based on Q3 Variance Report

Key Base Drivers:**Salaries & Benefits:**

- A short-term temporary staff person was hired in 2021 as the most cost-effective way to assist with legal research and support complaints review and investigations. The payroll cost is reversed in 2022 to align with the 2022 investigative expenses budget in the Services & Rents category. This cost reversal is offset by salary and benefit pressures to realign the budget to actual.

Services and Rents:

- Increase due to lower spending in investigative expenses in 2021. The 2022 budget reflects the anticipated needs of the office, including a one-time need to digitize the archival records which will increase efficiency, reduce space and support the hybrid working arrangements.
- Economic factor adjustments.

2023 & 2024 OUTLOOKS**Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	100.0	100.0	100.0	100.0
Gross Expenditures	739.7	761.6	750.3	757.0
Net Expenditures	639.7	661.6	650.3	657.0
Approved Positions	N/A	3.0	3.0	3.0

Key drivers

The 2023 Outlook with total gross expenditures of \$0.750 million reflects an anticipated \$0.011 million or 1.5% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$0.007 million or 0.9% above 2023 gross expenditures.

These changes arise from the following:

- Reversal of 2022 one-time budget to digitize the office's archival records.
- Economic factor adjustments for non-payroll items
- Benefit rate adjustments

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

N/A

Appendix 2

2022 Balancing Actions

N/A

Appendix 3

Summary of 2022 Service Changes

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2022 Capital Budget; 2023 - 2031 Capital Plan Including Carry Forward Funding

N/A

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 6b

2023 - 2031 Capital Plan

N/A

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

Summary of Capital Needs Constraints

N/A

Appendix 9

2022 User Fee Changes

(Excludes User Fees Adjusted for Inflation)

Table 9a - New User Fees

N/A

Table 9b – Fees Above Inflation

N/A

Table 9c - User Fees for Discontinuation

N/A

Table 9d - User Fees for Technical Adjustments

N/A

Table 9e - User Fees for Transfers

N/A

Table 9f - User Fees for Rationalization

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds 2022 Operating Budget

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2021 *	Withdrawals (-) / Contributions (+)		
			2022	2023	2024
		\$	\$	\$	\$
Beginning Balance		100.0	90.0	80.0	70.0
OIC External Legal and Investigative Expense RF	XR1415				
<i>Withdrawals (-)</i>		(100.0)	(100.0)	(100.0)	(100.0)
<i>Contributions (+)</i>		90.0	90.0	90.0	90.0
Total Reserve / Reserve Fund Draws / Contributions		90.0	80.0	70.0	60.0
Balance at Year-End		90.0	80.0	70.0	60.0

* Based on 9-month 2021 Reserve Fund Variance Report

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

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.

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 / Capital Budget: An operating or capital budget recommended by Accountability Officer to City Council for consideration and approval.