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The Corporation of the Town of Niagara-on-the-Lake Information Report to Council

SUBJECT: Governance Review – Working Group Update
DATE: 2026-03-03
REPORT #: CAO-26-012
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DEPARTMENT: Administration

PURPOSE

The purpose of this report is to provide Council with an update on recent developments related to the Niagara Region governance review and outline work completed to date by the Town's Governance Working Group.

BACKGROUND INFORMATION

On February 19, 2026, Niagara Regional Chair Bob Gale contacted the Minister of Municipal Affairs and Housing to initiate outreach regarding a potential governance review for Niagara Region. On the same day, local area Mayors received correspondence advising that feedback from each municipality would be requested by March 3, 2026.

On February 26, 2026, Niagara Regional Council formally approved a motion to initiate a governance review for Niagara Region. The motion, brought forward by eight local Mayors and supported by Regional Council, directs the commencement of a comprehensive review of governance structures and service delivery across the Region and its twelve local municipalities.

The review is intended to:

- Identify potential duplication in services;
- Assess opportunities to strengthen effectiveness and efficiency; and
- Ensure that any future decisions are grounded in evidence, financial analysis, and meaningful public consultation.

Importantly, the motion does not predetermine a specific structural outcome (e.g., amalgamation, service realignment, or maintaining the current structure). Rather, it establishes a due diligence process to examine options supported by business case development and financial modelling.

On February 27, 2026, during the State of the Region address, Chair Gale acknowledged Regional Council's direction and emphasized that further work would be required to define the scope, methodology, and engagement process should the Province move forward with a governance review.

Subsequently, the Town has been working collaboratively with eight Niagara municipalities opposed to forced amalgamation to establish a coordinated, unified municipal position. This collective approach reinforces that any governance discussions must be Niagara-led, consultation-driven, and grounded in comprehensive, evidence-based analysis.

The group is aligned in its commitment to a structured, strategic response and is currently considering engaging an external government relations and communications strategist to help determine and guide next steps, ensure coordinated advocacy, and support informed decision-making as the situation evolves. To further formalize this position, joint correspondence is being prepared for submission to the Province.

Niagara-on-the-Lake's Response

Recognizing the potential scope, complexity, and long-term implications of a governance review, Niagara-on-the-Lake has taken a proactive and measured approach.

At its February 24, 2026, meeting, Town Council established a Governance Working Group comprised of members of Council and the Senior Leadership Team. This Working Group was created to ensure coordinated oversight.

The Working Group continues to meet regularly to:

- Monitor regional and provincial developments;
- Coordinate internal research and analysis;
- Ensure the Town's financial, operational, and governance interests are clearly articulated; and
- Provide timely updates and strategic advice to Council.

Work Completed to Date

Phase One of the Town's response focused on preparing a comprehensive and evidence-based submission in advance of the March 3, 2026, feedback deadline.

Work completed to date includes:

- Compilation and detailed analysis of municipal financial, operational, and asset data;
- Review of service delivery models, statutory responsibilities, and governance considerations specific to Niagara-on-the-Lake;
- Preparation of the Town's submission document to the Province of Ontario;
- Participation in inter-municipal coordination discussions to ensure awareness of broader regional positioning;
- Support for and participation in a coordinated response from eight local municipalities to the Premier and the Minister of Municipal Affairs and Housing.

The Governance in Niagara-on-the-Lake document outlines key performance indicators, financial sustainability considerations, service responsibilities, infrastructure context, and governance realities unique to the Town. Its purpose is to ensure that any external review is informed by accurate, transparent, and evidence-based information reflective of Niagara-on-the-Lake's distinct demographic profile, geographic footprint, service delivery model, and fiscal position.

In addition to technical analysis, Staff have worked to ensure consistency of messaging, intergovernmental alignment, and documentation readiness in anticipation of potential further requests from the Region or the Province.

As directed by Council, Staff are formally tracking the time dedicated to this initiative to ensure transparency regarding resource impacts. To date, Staff have collectively dedicated approximately 129 hours in response to the governance review process. This reflects contributions across multiple departments, including senior leadership, finance, operations, and administrative support.

This work has been undertaken alongside ongoing operational responsibilities, with careful attention to maintaining service levels to residents.

NEXT STEPS

Staff will continue to monitor developments at both the regional and provincial levels, maintain active communication with municipal partners, and advance preparatory analysis to ensure Council remains well positioned for any future governance discussions.

As part of this next phase, Staff will undertake a prioritization exercise to review the Town's Strategic Plan, Corporate Work Plan, and Departmental Work Plan through the lens of potential governance changes. This review will help ensure that current priorities remain aligned, resources are allocated strategically, and the organization is positioned to respond effectively across various governance scenarios.

This proactive approach will support informed decision-making, organizational readiness, and long-term sustainability, while reinforcing Council's leadership role in shaping the Town's future.

Further updates will be provided as additional information becomes available.