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

SUBJECT: Governance Review – Working Group Update 2
DATE: 2026-03-10
REPORT #: CAO-26-014
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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 to outline ongoing work undertaken by Niagara-on-the-Lake's Governance Working Group.

BACKGROUND INFORMATION

As previously reported to Council, Niagara Region initiated steps toward a potential governance review in February 2026. On February 19, 2026, Niagara Regional Chair Bob Gale contacted the Minister of Municipal Affairs and Housing to begin discussions regarding a possible review of governance structures across Niagara Region and its twelve local municipalities. Regional Council subsequently passed a motion on February 26, 2026, to initiate a governance review for Niagara Region.

The review is intended to examine governance structures and service delivery models across the Region to identify opportunities to improve effectiveness, efficiency, and coordination. The motion does not predetermine any specific outcome, such as amalgamation or service restructuring, but instead establishes a process to examine options through analysis, financial modelling, and consultation.

In response to these developments, Niagara-on-the-Lake Council established a Governance Working Group on February 24, 2026, comprised of members of Council and the Senior Leadership Team. The Working Group was created to monitor developments, coordinate the Town's response, and ensure that the Town's financial, operational, and governance interests are clearly articulated.

Staff prepared and submitted the Town's governance review feedback to the Province. Since that time, the Governance Working Group has continued to monitor developments and maintain communication with municipal partners across Niagara.

GOVERNANCE MODERNIZATION & SERVICE BOARDS

As outlined in the joint letter submitted to the Province and the Regional Chair, Niagara-on-the-Lake has joined with seven other local municipalities in opposing forced amalgamation and proposing a collaborative Reform Agenda for governance modernization in Niagara.

This approach reflects a commitment by local municipalities to participate constructively in governance discussions. The Reform Agenda is intended to demonstrate that Niagara municipalities are prepared to pursue evidence-based modernization while protecting local accountability and decision-making.

The proposed review would examine several potential reforms, including:

- Establishing one or more Water and Wastewater Public Corporation(s) under the *Water and Wastewater Public Corporations Act, 2025*.
- Subject to a financial review, reforming certain regional services to drive savings and improve value for taxpayers. This could include transitioning services such as Social Services, Public Health, and Emergency Medical Services to locally governed Public Service Boards.
- Reviewing council composition across the Region with the objective of reducing the overall number of elected officials and streamlining governance structures to better reflect the needs and scale of each community.

These proposals reflect a willingness among participating municipalities to pursue meaningful governance modernization grounded in fiscal responsibility, service clarity, and measurable public benefit.

Understanding Service Boards

Within Ontario's municipal governance framework, service boards and municipally controlled corporations used to deliver specialized public services. These boards typically operate under provincial legislation, with defined governance structures and accountability requirements.

A familiar example of this model in Niagara-on-the-Lake is Niagara-on-the-Lake Hydro, which operates as a municipally owned corporation governed by its own Board of Directors. While the Town is the shareholder, the corporation functions with operational independence and regulatory oversight to ensure the reliable delivery of electricity services.

Other examples of boards that currently operate within Niagara include:

- Niagara Regional Police Service Board
- Niagara-on-the-Lake Public Library Board
- Niagara Peninsula Conservation Authority (NPCA)

These examples demonstrate how service board structures can provide clear governance, specialized expertise, and operational accountability, while ensuring that services remain publicly owned and subject to legislative oversight.

Understanding how these governance structures function is helpful when considering broader discussions about potential service delivery models within the Niagara Region.

UPDATE SINCE LAST REPORT

Since the previous report to Council, the following actions have been completed:

- **Joint Letter from Eight Niagara Municipalities** - On March 4, 2026, the Lord Mayor of Niagara-on-the-Lake joined the Mayors of Thorold, West Lincoln, Port Colborne, Fort Erie, Grimsby, Pelham, and Wainfleet in submitting a **joint letter to Premier Doug Ford** outlining a shared Reform Agenda for governance modernization in Niagara.
- **Media Release – Joint Reform Agenda** - Following the submission of the joint municipal letter, the Town issued a **joint media release** to inform residents of the collaborative Reform Agenda proposed by the eight Niagara municipalities and the shared position opposing forced amalgamation.
- **Submission to the Province** – On March 4, 2026, the Town of Niagara-on-the-Lake submitted its formal feedback to the Province of Ontario regarding the potential Niagara Region governance review. The submission, titled **Governance in Niagara-on-the-Lake**, outlines the Town’s governance structure, service delivery model, financial position, and key considerations related to potential governance changes.
- **Public Release of the Submission** - Following submission to the Province, the Town issued a **public media release** and made the submission document available to residents to ensure awareness of the Town’s position and supporting analysis.
- **Ongoing Monitoring and Coordination** - The Working Group continue to monitor developments related to the governance review process and maintains communication with municipal partners across Niagara as discussions continue at the regional and provincial levels.
- **Dedicated Webpage** - The Town has launched a dedicated webpage to ensure residents have access to centralized information regarding the potential governance review, including background materials, official documents, and ongoing updates.

NEXT STEP / CONCLUSION

The Governance Working Group will continue to meet regularly to review emerging information, coordinate analysis, and ensure that Niagara-on-the-Lake remains well positioned to respond to potential governance discussions as they evolve.

Staff will also continue to support Council by providing updates as additional information becomes available from the Province, Niagara Region, or partner municipalities.

In addition, Staff will continue to maintain public communication resources, including the Town’s dedicated governance review webpage, to ensure residents have access to accurate and up-to-date information.

PREVIOUS REPORTS

- **CAO-26-012** Governance Review – Working Group Update