

Fulton.

New: *Community Charter and Local Government Act* Amendments Introduce Mandatory Code of Conduct Scheme

On April 2, 2026, the Legislature gave first reading to a Bill which, if passed, will regularize the ethical standards applicable to local government elected officials in British Columbia by way of a mandatory Code of Conduct.

The *Housing and Municipal Affairs Statutes (Codes of Conduct) Amendment Act, 2026* ("Bill 17"), makes several amendments to the *Community Charter and Local Government Act*. Most notably, Bill 17 introduces a mandatory Code of Conduct process for all municipal and regional district elected officials in BC. While the specifics of the ethical obligations applicable to elected officials will be set by the yet-to-be-released regulations, Bill 17 confirms how the mandatory Code of Conduct scheme will operate.

Filing a Complaint:

- Under the Province's proposed Code of Conduct scheme, only Council members and local government staff will be allowed to file Code of Conduct Complaints.
- Members of the public will not be permitted to file Complaints and Council members will not be permitted to file Complaints on behalf of members of the public unless the member of the public is a member of a committee established by the local government.
- The regulations will set out a limitation period in which Complaints must be filed – e.g., within a certain number of days / weeks of the Complainant becoming aware of the alleged contravention.

Investigative Process and Investigation Report

- Under the Province's proposed Code of Conduct scheme, the local government will designate either the Chief Administrative Officer or Corporate Officer as the "designated officer" to receive Code of Conduct Complaints.
- Once received, the designated officer will refer the Complaint to an investigator. The forthcoming regulations will set out the prescribed criteria for an investigator.
- Upon referral, the investigator may (a) dismiss all or part of a Complaint for various reasons set out in the Act, (b) recommend to the parties that the Complaint be resolved by alternative dispute resolution processes, or (c) investigate the Complaint.
- If the investigator determines that an investigation is warranted, they will conduct an investigation to determine whether a contravention of the Code of Conduct has occurred. During this investigation, the investigator can require persons with relevant information to participate in their investigation.
- Once the investigator has concluded their investigation, they will issue an investigation report outlining, among other things, a conclusion as to whether the Code of Conduct was contravened and recommended sanctions in respect of any breach. The investigation report would then be provided to the Council / Board for consideration.
- If the investigator determines that no sanctions are warranted, there would be no requirement for the Council / Board to consider the report at a meeting.

Available Sanctions

- Bill 17 sets out the sanctions that may be recommended by an investigator.
- Most notably, the Bill provides that the investigator may recommend that a Council / Board:
 - reduce the remuneration to which an elected official would otherwise be entitled for up to 90 days;
 - suspend an elected official from their duties on the council / board for up to 90 days; and / or
 - if the respondent is the Mayor, suspend the Mayor from any of their responsibilities described in the *Community Charter*.

Sanctions by the Council / Board

- Bill 17 clarifies that a Council / Board's consideration of a Code of Conduct investigation Report must be undertaken at a closed meeting and the parties to the Complaint are not permitted to vote on any sanction resolution.
- If the investigator has recommended sanctions, the Council / Board may choose:
 - to impose all of the recommended sanctions; or
 - not to impose any of the recommended sanctions.
- Importantly, if the investigator does not include a recommendation to impose sanctions in their report, Council may not impose any sanctions on the respondent.

Reporting to the Public

- The Province's proposed Code of Conduct scheme also clarifies the methods by which a local government must report to the public regarding Code of Conduct Complaints.
- Following an investigation, the investigator will issue a summary report outlining the details of the alleged misconduct, the investigator's findings, any recommended sanctions, and the Council / Board's sanction resolution, if applicable. These summary reports must be made publicly available.
- Bill 17 also requires local governments to, before June 30 each year, prepare an annual code of conduct report and make the report available to the public. This report must provide statistical details regarding the Complaints filed within the preceding year, including the number of complaints filed, the number of complaints dismissed, withdrawn, or resolved through alternative dispute resolution, and the number of investigations conducted along with their associated cost.

Overall, this mandatory Code of Conduct scheme is substantially similar to the Codes of Conduct we have been drafting for our local government clients for years. If passed, we expect that this mandatory Code of Conduct scheme will bring some certainty and consistency to the way local governments ensure their elected officials comply with the ethical standards expected of them as elected officials. The release of the accompanying regulations will provide additional details as to the content of such ethical obligations. However, it remains to be seen whether the implementation of this mandatory Code of Conduct will assist local governments whose elected officials seem undeterred by public censure and may engage in repeated misconduct with few repercussions.

Questions? Contact a member of our experienced Local Government Law Team:



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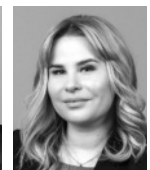
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