

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Subject: Court Security and Prisoner Transportation Program Transfer Payment Agreement

Date: April 15, 2024

Recommendation

That on the recommendation of the Deputy City Manager, Finance Supports, the attached proposed by-law (Appendix “A”) **BE INTRODUCED** at the Municipal Council meeting on April 23rd, 2024 to:

- (a) **APPROVE** the Ontario Transfer Payment Agreement between His Majesty the King in right of Ontario as represented by the Solicitor General and The Corporation of the City of London for the provision of funding for the Court Security and Prisoner Transportation Program (“Agreement”) attached as Schedule “1”;
- (b) **AUTHORIZE** the Mayor and Clerk to execute the Agreement;
- (c) **AUTHORIZE** the Deputy City Manager, Finance Supports to approve any future amending agreements between His Majesty the King in Right of Ontario as represented by the Solicitor General and The Corporation of the City of London with respect to the Court Security and Prisoner Transportation Program (“CSPT”);
- (d) **AUTHORIZE** the Mayor and Clerk to execute any future amending agreements between His Majesty the King in Right of Ontario as represented by the Solicitor General and The Corporation of the City of London with respect to the Court Security and Prisoner Transportation Program (“CSPT”) approved by the Deputy City Manager, Finance Supports;
- (e) **AUTHORIZE** the Deputy City Manager, Finance Supports (or designate) to execute any reports required by the province under the Agreement; and,
- (f) **AUTHORIZE** the Deputy City Manager, Finance Supports to approve and execute an agreement between The Corporation of the City of London and the London Police Services Board regarding obligations in respect of the funds and obligations in connection with the Agreement.

Executive Summary

The uploading of court security and prisoner transportation costs began in 2012, with total funding of approximately \$28.2 million provided by the Province of Ontario to the City of London since then. The 2024 agreement sets out the allocation of funding of \$3,113,581. All CSPT funding is transferred to the London Police Service for the delivery of the service.

This report introduces a by-law to authorize the Mayor and the City Clerk to execute the Transfer Payment Agreement and any future amending agreements between His Majesty the King in Right of Ontario as represented by the Solicitor General for the Province of Ontario and The Corporation of the City of London with respect to the Court Security and Prisoner Transportation Program (“CSPT”).

Linkage to the Corporate Strategic Plan

Accessing Court Security and Prisoner Transportation funding contributes to the Corporation’s 2023 – 2027 Strategic Plan under the “Well-Run City” strategic area of focus. Specifically, London’s finances are maintained in a transparent, sustainable, and

well-planned manner, incorporating intergenerational equity, affordability and environmental, social, and governance considerations.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Court Security and Prisoner Transportation Program Transfer Payment Agreement (Corporate Services Committee – April 11, 2023)

2.0 Discussion and Considerations

2.1 Background

On October 3, 2008, the Government of Ontario, the Association of Municipalities of Ontario (AMO), and the City of Toronto announced the results of the Provincial-Municipal Fiscal and Service Delivery Review in a ceremony at Queen’s Park along with the release of a corresponding report entitled “Facing the Future Together.” One of the results of this review that impacts municipalities was the gradual upload of court security costs and prisoner transportation costs. The uploading of these costs began in 2012 and was phased in over the years up to a maximum of \$125 million province-wide. Since 2012, total funding of approximately \$28.2 million has been provided by the Province to the City of London. In London, these services are delivered by the London Police Service. The City of London’s involvement in this program is limited to being a conduit of funding between the Province and London Police Service.

The City has received the next agreement for a one-year term which sets out the allocation of funding of \$3,113,581 for 2024 under the CSPT Program. The Province requires receipt of all municipalities’ executed CSPT agreements by February 16, 2024. An extension to this timeline was requested and granted to April 26, 2024.

As with previous agreements, Civic Administration proposed several changes to the Province to amend the agreement to more appropriately reflect the relationship between the Corporation of the City of London and the London Police Service, the organization responsible for the provision of these services. The agreement, as presented in Schedule 1 of the by-law, reflects the amended agreement which contains similar provisions as previous agreements signed. Unfortunately, Civic Administration continues to have some reservations with the agreement as it stands, however the Province has made it clear in the past that they are unwilling to consider any further changes to their standard form agreement. Furthermore, should the municipality decide not to execute the agreement, funding of approximately \$3.114 million would be lost over the one-year term.

Civic Administration notes the following areas of potential concern with the agreement:

a) Article A4.2 – Limitation on Payment of Funds

The agreement indicates that the Province is not obligated to provide instalments of the funding until it is satisfied with the progress of the project. The “project” for the purposes of this agreement is simply the provision of funds from the Corporation to the London Police Service, so it is not clear what would signify satisfactory progress for this provision.

b) Article A4.3 – Use of Funds and Carry Out the Project

The City is supplying these funds to the London Police Service and London Police Service will be overseeing the use of these funds. The Province has allowed the City to add a paragraph in Schedule C for clarity that the London Police Services Board is responsible for providing the services and

overseeing the use of funds, but London Police Service is not a party to the Transfer Payment Agreement.

c) Article A9.0 – Indemnity

This clause requires the City to indemnify the Province from any and all liability, claims, lawsuits, etc. arising out of this Agreement unless the loss was solely caused by the Province’s negligence or wilful misconduct. This provision exposes the City to unlimited liability. Although this clause exposes the City to risk, the benefits of the Agreement outweigh the risks. The risk is mitigated through insurance, loss transfer and control measures.

d) Article A11.0 – Termination on Notice

Concern was raised that this article contradicts what has been represented by the Province relative to this upload. This funding is being relied upon for budget purposes. If the agreement were to be terminated by the Province in accordance with this article, a budget shortfall would result.

To partially address these concerns, this report requests authority for the Deputy City Manager, Finance Supports to develop, approve and execute an agreement between the City of London and the London Police Services Board in order to formalize obligations in respect of the funds and in connection with the Agreement.

3.0 Financial Impact/Considerations

3.1 Funding Allocation

The funding allocation for 2024 is \$3,113,581, representing a \$480,263 increase from the previous year’s agreement. The higher City of London allocation is driven by London Police Service’s higher proportion of the total CSPT costs province-wide in 2022.

Additionally, as identified in Article A11.1 – Termination on Notice, “the Province may terminate this Agreement at any time without liability, penalty, or costs upon giving at least 30 days’ Notice to the Recipient”. If this upload is terminated, the City would have to cover the shortfall of funding through other funding sources and/or a reduction in other program expenditures. Civic Administration believes the risk of this occurring is extremely low.

Conclusion

The City of London was allocated \$3,113,581 for a one-year period for the CSPT program. This report introduces a by-law to authorize the Mayor and the City Clerk to execute the Transfer Payment Agreement and any future amending agreements between the His Majesty the King in Right of Ontario as represented by the Solicitor General and The Corporation of the City of London with respect to the CSPT Program.

Prepared by:	Jeff Millman, CPA, CGA Senior Financial Business Administrator
Submitted by:	Kyle Murray, CPA, CA Director, Financial Planning & Business Support
Recommended by:	Anna Lisa Barbon, CPA, CGA Deputy City Manager, Finance Supports

Bill No.

2024

A by-law to approve the Ontario Transfer Payment Agreement between His Majesty the King in right of Ontario as represented by the Solicitor General and The Corporation of the City of London for the provision of funding under the Court Security and Prisoner Transportation Program; and to authorize the Mayor and City Clerk to execute the Agreement

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10(1) of the *Municipal Act, 2001* provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS subsection 10(2) of the *Municipal Act, 2001* provides that a municipality may pass by-laws respecting, among other things: (i) economic, social, and environmental well-being of the municipality; and ii) health, safety and well-being of persons.

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Ontario Transfer Payment Agreement between His Majesty the King in right of Ontario as represented by the Solicitor General and The Corporation of the City of London for the provision of funding under the Court Security and Prisoner Transportation Program ("Agreement"), attached hereto as Schedule "1" to this bylaw, is hereby authorized and approved.
2. The Mayor and City Clerk are authorized to execute the Agreement approved under section 1 of this by-law.
3. The Deputy City Manager, Finance Supports is authorized to approve any future amending agreements between His Majesty the King in Right of Ontario as represented by the Solicitor General and The Corporation of the City of London with respect to the Court Security and Prisoner Transportation Program (CPST);
4. The Mayor and Clerk are authorized to execute any future amending agreements between His Majesty the King in Right of Ontario as represented by the Solicitor General and The Corporation of the City of London with respect to the Court Security and Prisoner Transportation Program (CPST) approved by the Deputy City Manager, Finance Supports.
5. The Deputy City Manager, Finance Supports, or their designate, is authorized to execute any report required under the Agreement authorized under section 1 of this bylaw.
6. The Deputy City Manager, Finance Supports is authorized to approve and execute an agreement between The Corporation of the City of London and the London Police Services Board regarding its obligations in respect of the funds

and the obligations in connection with the Agreement.

7. This by-law comes into effect on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

Passed in Open Council on April 23, 2024 subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

Josh Morgan
Mayor

Michael Schulthess
City Clerk

First Reading –
Second Reading –
Third Reading –

ONTARIO TRANSFER PAYMENT AGREEMENT

THE AGREEMENT is effective as of the 1st day of January, 2024

B E T W E E N :

**His Majesty the King in right of Ontario
as represented by the Solicitor General**

(the “Province”)

- and -

The Corporation of the City of London

(the “Recipient”)

BACKGROUND

- A. The Province implemented the Court Security and Prisoner Transportation (CSPT) Program (the “Program”) in 2012 to assist municipalities in offsetting their costs of providing CSPT services in their jurisdictions;
- B. The Province will upload CSPT costs from municipalities to a maximum of \$125 million in 2024;
- C. Pursuant to subsection 10(1) of the *Community Safety and Policing Act* the London Police Services Board is required to provide adequate and effective police services in accordance with the *Community Safety and Policing Act*.
- D. Pursuant to subsection 243(1) of the *Community Safety and Policing Act*, the London Police Services Board has the following responsibilities, with respect to premises where court proceedings are conducted in the City of London:
 - 1. Ensuring the security of judges and other judicial officers and of persons taking part in or attending proceedings;
 - 1. During the hours when judges, other judicial officers and members of the public are normally present, ensuring the security of the premises;
 - 2. Ensuring the secure custody of persons in custody who are on or about the premises, including persons taken into custody at proceedings;
 - 3. Determining appropriate levels of security for the purposes of paragraph 1, 2, and 3 in accordance with the regulations, if any.
- E. Pursuant to subsection 50(2) of the *Community Safety and Policing Act*, the London Police Services Board submits the operating and capital estimates to the Recipient and upon reviewing the estimates, the council for the Recipient establishes an overall budget for the London Police Services Board.

- F. The cost of court security and prisoner transportation provided by the London Police Services Board are included in the estimates provided by the London Police Services Board and funded by the Recipient.
- G. The Ministry has agreed to provide funding to the Recipient to be used to fund the costs of court security and prisoner transportation provided by the London Police Services Board in accordance with its obligations under subsection 50(2) of the *Community Safety and Policing Act*.
- H. The Recipient has provided its 2022 CSPT costs, as confirmed in the 2022 Annual Financial Report submitted by the Recipient;
- I. Funding is allocated based on the Recipient's relative share of the total 2022 provincial CSPT cost.

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Province and the Recipient agree as follows:

1.0 ENTIRE AGREEMENT

1.1 The agreement, together with:

- Schedule "A" - General Terms and Conditions
- Schedule "B" - Project Specific Information and Additional Provisions
- Schedule "C" - Project
- Schedule "D" - Performance Measurement Framework
- Schedule "E" - Payment Plan and Reporting Schedule
- Schedule "F" - Court Security and Prisoner Transportation Services and Activities Eligible for Funding
- Schedule "G" - Template for 2024 Annual Financial and Performance Measurement Report, and

any amending agreement entered into as provided for in section 4.1,

constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

2.0 CONFLICT OR INCONSISTENCY

2.1 **Conflict or Inconsistency.** In the event of a conflict or inconsistency between the Additional Provisions and the provisions in Schedule "A", the following rules will apply:

- (a) the Parties will interpret any Additional Provisions in so far as possible, in a way that preserves the intention of the Parties as expressed in Schedule “A”; and
- (b) where it is not possible to interpret the Additional Provisions in a way that is consistent with the provisions in Schedule “A”, the Additional Provisions will prevail over the provisions in Schedule “A” to the extent of the inconsistency.

3.0 COUNTERPARTS

- 3.1 The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

4.0 AMENDING THE AGREEMENT

- 4.1 The Agreement may only be amended by a written agreement duly executed by the Parties.

5.0 ACKNOWLEDGEMENT

- 5.1 The Recipient acknowledges that:
 - (a) by receiving Funds, it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
 - (b) His Majesty the King in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
 - (c) the Funds are:
 - (i) to assist the Recipient to carry out the Project and not to provide goods or services to the Province;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);
 - (d) the Province is not responsible for carrying out the Project; and
 - (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

5.2 The Province acknowledges that the Recipient is bound by the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Recipient in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

- SIGNATURE PAGE FOLLOWS -

The Parties have executed the Agreement on the dates set out below.

**HIS MAJESTY THE KING IN RIGHT OF ONTARIO
as represented by the Solicitor General**

Date

Name: Mario Di Tommaso
Title: Deputy Solicitor General, Community Safety

The Corporation of the City of London

Date

Name:
Title:

**SCHEDULE “A”
GENERAL TERMS AND CONDITIONS**

A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **Interpretation.** For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

“Additional Provisions” means the terms and conditions set out in Schedule “B”.

“Agreement” means this agreement entered into between the Province and the Recipient, all of the schedules listed in section 1.1, and any amending agreement entered into pursuant to section 4.1.

“Business Day” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

“Effective Date” means the date set out at the top of the Agreement.

“Event of Default” has the meaning ascribed to it in section A13.1.

“Expiry Date” means the expiry date set out in Schedule “B”.

“Funding Year” means the period commencing on the Effective Date and ending on December 31 of the same calendar year as the Effective Date.

“Funds” means the money the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means His Majesty the King in right of Ontario, His

ministers, agents, appointees, and employees.

“**Maximum Funds**” means the maximum Funds set out in Schedule “B”.

“**Notice**” means any communication given or required to be given pursuant to the Agreement.

“**Notice Period**” means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section A13.3(b), and includes any such period or periods of time by which the Province extends that time in accordance with section A13.4.

“**Parties**” means the Province and the Recipient.

“**Party**” means either the Province or the Recipient.

“**Project**” means the undertaking described in Schedule “C”.

“**Reports**” means the reports described in Schedules “D” and “E” and the report template established in Schedule “G”.

“**Services**” means the court security and prisoner transportation services and activities as set out in Schedule “F” eligible for the funding, as set out in Schedule “B” as provided by the London Police Services Board in accordance with subsection 137(1) of the *Police Services Act*.

A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 General. The Recipient represents, warrants, and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Project;
- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Project, the Funds, or both; and
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete.

A2.2 Execution of Agreement. The Recipient represents and warrants that it has:

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

A2.3 **Governance.** The Recipient represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- (b) procedures to enable the Recipient's ongoing effective functioning;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage Funds prudently and effectively;
- (e) procedures to enable the preparation and submission of all Reports required pursuant to Article A7.0; and
- (f) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 **Supporting Proof.** Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in Article A2.0.

A3.0 TERM OF THE AGREEMENT

A3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A11.0, Article A12.0, or Article A13.0.

A4.0 FUNDS AND CARRYING OUT THE PROJECT

A4.1 **Funds Provided.** The Province will:

- (a) provide the Recipient up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Recipient in accordance with the payment plan attached to the Agreement as Schedule "E"; and
- (c) deposit the Funds into an account designated by the Recipient provided that the account:
 - (i) resides at a Canadian financial institution; and

(ii) is in the name of the Recipient.

A4.2 Limitation on Payment of Funds. Despite section A4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof as the Province may request pursuant to section A10.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;
- (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province's assessment of the information the Recipient provides to the Province pursuant to section A7.1; or
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
 - (i) reduce the amount of Funds and, in consultation with the Recipient, change the Project; or
 - (ii) terminate the Agreement pursuant to section A12.1.

A4.3 Use of Funds and Carry Out the Project. The Recipient will do all of the following:

- (a) carry out the Project in accordance with the Agreement;
- (b) use the Funds only for the purpose of carrying out the Project;
- (c) spend the Funds only in accordance with the Court Security and Prisoner Transportation Services set out in Schedule "F";
- (d) not use the Funds to cover any cost that has or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 Interest Bearing Account. If the Province provides Funds before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.

A4.5 Interest. If the Recipient earns any interest on the Funds, the Province may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or

- (b) demand from the Recipient the payment of an amount equal to the interest.

A4.6 **Rebates, Credits, and Refunds.** The Ministry will calculate Funds based on the actual costs to the Recipient to carry out the Project, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 **Acquisition.** If the Recipient acquires goods, services, or both with the Funds, it will:

- (a) do so through a process that promotes the best value for money.

A5.2 **Disposal.** The Recipient will not, without the Province's prior written consent, sell, lease, or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as provided for in Schedule "B" at the time of purchase.

A6.0 CONFLICT OF INTEREST

A6.1 **No Conflict of Interest.** The Recipient will carry out the Project and use the Funds without an actual, potential, or perceived conflict of interest.

A6.2 **Conflict of Interest Includes.** For the purposes of Article A6.0, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions,

has outside commitments, relationships, or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the Project, the use of the Funds, or both.

A6.3 **Disclosure to Province.** The Recipient will:

- (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential, or perceived conflict of interest; and
- (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 Preparation and Submission. The Recipient will:

- (a) submit to the Province at the address referred to in section A17.1, all Reports in accordance with the timelines and content requirements as provided for in Schedule “F”, or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address referred to in section A17.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

A7.2 Record Maintenance. The Recipient will keep and maintain:

- (a) all financial records (including invoices) relating to the Funds or otherwise to the Project in a manner consistent with generally accepted accounting principles; and
- (b) all non-financial documents and records relating to the Funds or otherwise to the Project.

A7.3 Inspection. The Province, any authorized representative, or any independent auditor identified by the Province may, at the Province’s expense, upon twenty-four hours’ Notice to the Recipient and during normal business hours, enter upon the Recipient’s premises to review the progress of the Project and the Recipient’s allocation and expenditure of the Funds and, for these purposes, the Province, any authorized representative, or any independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A7.2;
- (b) remove any copies made pursuant to section A7.3(a) from the Recipient’s premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Project, or both.

A7.4 Disclosure. To assist in respect of the rights provided for in section A7.3, the Recipient will disclose any information requested by the Province, any authorized representatives, or any independent auditor identified by the Province, and will do so in the form requested by the Province, any authorized representative, or any independent auditor identified by the Province, as the case may be.

A7.5 **No Control of Records.** No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

A7.6 **Auditor General.** The Province's rights under Article A7.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

A8.0 COMMUNICATIONS REQUIREMENTS

A8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient will:

- (a) acknowledge the support of the Province for the Project; and
- (b) ensure that the acknowledgement referred to in section A8.1(a) is in a form and manner as directed by the Province.

A8.2 **Publication.** The Recipient will indicate, in any of its Project-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

A9.0 INDEMNITY

A9.1 **Indemnification.** The Recipient will indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages, and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits, or other proceedings, by whomever made, sustained, incurred, brought, or prosecuted, in any way arising out of or in connection with the Project or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Indemnified Parties.

A10.0 INSURANCE

A10.1 **Recipient's Insurance.** The Recipient represents, warrants, and covenants that it has, and will maintain for the Term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out obligations similar to the obligations of the Recipient under this Agreement would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury, and property damage, to an inclusive limit of not less than the amount provided for in Schedule "B" per occurrence. The insurance policy will include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;

- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30-day written notice of cancellation.

A10.2 Proof of Insurance. The Recipient will:

- (a) provide to the Province, either:
 - (i) certificates of insurance that confirm the insurance coverage as provided for in section A10.1; or
 - (ii) other proof that confirms the insurance coverage as provided for in section A10.1; and
- (b) upon the request of the Province, provide to the Province a copy of any insurance policy.

A11.0 TERMINATION ON NOTICE

A11.1 Termination on Notice. The Province may terminate the Agreement at any time without liability, penalty, or costs upon giving at least 30 days' Notice to the Recipient.

A11.2 Consequences of Termination on Notice by the Province. If the Province terminates the Agreement pursuant to section A11.1, the Province may take one or more of the following actions:

- (a) cancel further instalments of Funds;
- (b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - (i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A11.2(b); and
 - (ii) subject to section A4.1(a), provide Funds to the Recipient to cover such costs.

A12.0 TERMINATION WHERE NO APPROPRIATION

A12.1 Termination Where No Appropriation. If, as provided for in section A4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty, or costs by giving Notice to the Recipient.

A12.2 Consequences of Termination Where No Appropriation. If the Province terminates the Agreement pursuant to section A12.1, the Province may take one or more of the following actions:

- (a) cancel further instalments of Funds;
- (b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to fund the Services until the date of termination and permit the Recipient to offset such costs against the amount owing pursuant to section A12.2(b).

A12.3 No Additional Funds. If, pursuant to section A12.2(c), the Province determines that the costs to wind down the Project exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

A13.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A13.1 Events of Default. Each of the following events will constitute an Event of Default:

- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant, or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with section A7.1, Reports or such other reports as may have been requested pursuant to section A7.1(b);
- (b) the Recipient's operations, its financial condition, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver; or
- (d) the Recipient ceases to operate.

A13.2 **Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful application of the Funds for the Services;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel further instalments of Funds;
- (f) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand from the Recipient the payment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand from the Recipient the payment of an amount equal to any Funds the Province provided to the Recipient; and
- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

A13.3 **Opportunity to Remedy.** If, in accordance with section A13.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will give Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

A13.4 **Recipient not Remediating.** If the Province provided the Recipient with an opportunity to remedy the Event of Default pursuant to section A13.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A13.2(a), (c), (d), (e), (f), (g), (h), and (i).

A13.5 **When Termination Effective.** Termination under Article will take effect as provided for in the Notice.

A14.0 FUNDS AT THE END OF A FUNDING YEAR

A14.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article A13.0, if the Recipient has not spent all the Funds allocated for the Funding Year (Maximum Funds), the Province may take one or both of the following actions:

- (a) demand from the Recipient payment of the unspent Funds; and
- (b) adjust the amount of any further instalments of Funds accordingly.

A15.0 FUNDS UPON EXPIRY

A15.1 **Funds Upon Expiry.** The Recipient will, upon expiry of the Agreement, pay to the Province any Funds remaining in its possession or under its control.

A16.0 DEBT DUE AND PAYMENT

A16.1 **Payment of Overpayment.** If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Recipient pay an amount equal to the excess Funds to the Province.

A16.2 **Debt Due.** If, pursuant to the Agreement:

- (a) the Province demands from the Recipient the payment of any Funds or an amount equal to any Funds; or
- (b) the Recipient owes any Funds or an amount equal to any Funds to the Province, whether or not the Province has demanded their payment,

such Funds or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay the amount to the Province immediately, unless the Province directs otherwise.

A16.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province

of Ontario on accounts receivable.

A16.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the “Ontario Minister of Finance” and delivered to the Province as provided for in Schedule “B”.

A16.5 **Fails to Pay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to pay any amount owing under the Agreement, His Majesty the King in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by His Majesty the King in right of Ontario.

A17.0 NOTICE

A17.1 **Notice in Writing and Addressed.** Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery, or fax, and will be addressed to the Province and the Recipient respectively as provided for Schedule “B”, or as either Party later designates to the other by Notice.

A17.2 **Notice Given.** Notice will be deemed to have been given:

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
- (b) in the case of email, personal delivery, or fax, one Business Day after the Notice is delivered.

A17.3 **Postal Disruption.** Despite section A17.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail will not be deemed to be given; and
- (b) the Party giving Notice will give Notice by email, personal delivery, or fax.

A18.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A18.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

A19.0 SEVERABILITY OF PROVISIONS

A19.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

A20.0 WAIVER

A20.1 **Waiver Request.** Either Party may, in accordance with the Notice provision set out in Article A17.0, ask the other Party to waive an obligation under the Agreement.

A20.2 **Waiver Applies.** Any waiver a Party grants in response to a request made pursuant to section A20.1 will:

(a) be valid only if the Party granting the waiver provides it in writing; and

(b) apply only to the specific obligation referred to in the waiver.

A21.0 INDEPENDENT PARTIES

A21.1 **Parties Independent.** The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

A22.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A22.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A22.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

A23.0 GOVERNING LAW

A23.1 **Governing Law.** The Agreement and the rights, obligations, and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

A24.0 FURTHER ASSURANCES

A24.1 **Agreement into Effect.** The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

A25.0 JOINT AND SEVERAL LIABILITY

A25.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A26.0 RIGHTS AND REMEDIES CUMULATIVE

A26.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

A27.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A27.1 **Other Agreements.** If the Recipient:

- (a) has failed to comply with any term, condition, or obligation under any other agreement with His Majesty the King in right of Ontario or one of His agencies (a **"Failure"**);
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

A28.0 SURVIVAL

A28.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 3.0, Article A1.0 and any other applicable definitions, section A2.1(a), sections A4.2(d), A4.5, section A5.2, section A7.1 (to the extent that the Recipient has not provided the Reports or other reports as may have been requested to the satisfaction of the Province), sections A7.2, A7.3, A7.4, A7.5, A7.6, Article A8.0, Article A9.0, section A11.2, sections A12.2, A12.3, sections A13.1, A13.2(d), (e), (f), (g) and (h), Article A15.0, Article A16.0, Article A17.0, Article A19.0, section A22.2, Article A23.0, Article A25.0, Article A26.0, Article A27.0 and Article A28.0.

- END OF GENERAL TERMS AND CONDITIONS -

**SCHEDULE “B”
PROJECT SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS**

Maximum Funds	\$3,113,581.00
Expiry Date	December 31, 2024
Insurance	\$5,000,000.00
Contact information for the purposes of Notice to the Province	<p>Name: Ministry of the Solicitor General Public Safety Division, External Relations Branch Program Development Section</p> <p>Address: 25 Grosvenor Street, 12th Floor Toronto, ON M7A 2H3</p> <p>Attention: Rosanna Tamburro, Community Safety Analyst</p> <p>Email: Rosanna.Tamburro@ontario.ca</p>
Contact information for the purposes of Notice to the Recipient and to respond as required to requests from the Province related to the Agreement	<p>Name: The Corporation of the City of London</p> <p>Address: 300 Dufferin Avenue London, ON N6A 4L9</p> <p>Attention: Mr. Ian Collins Director, Financial Services</p> <p>Email: ICollins@London.ca</p>

**SCHEDULE “C”
PROJECT**

The Project is the Recipient receiving the Funds and in turn providing the Funds to the London Police Services Board for the costs of providing security for court premises during hours of court operations and security of persons attending court, and/or the costs of transporting prisoners and custodial minors (i.e., persons between twelve and seventeen years of age) between correctional institutions, custodial facilities and court locations for the purposes of court attendance.

To assist the Recipient, the Province has agreed to provide the Recipient up to the Maximum Funds in accordance with the terms of the Agreement to offset costs for the provision of such court security and prisoner transportation within the Recipient’s jurisdiction.

The Recipient shall ensure the Funds are used only for eligible services and activities as described in Schedule “F”.

**SCHEDULE “D”
PERFORMANCE MEASUREMENT FRAMEWORK**

The Recipient agrees to collect and report back to the Province the information outlined below in the format provided in Schedule “G” for the reporting timeframe covering January 1, 2024 to December 31, 2024, and in accordance with the reporting schedule outlined in Schedule “E”.

2024 Report	
Performance Measure	Indicator
Number of court appearances	Number of in-person court appearances conducted Number of virtual court appearances conducted (if unavailable, please indicate "N/A")
Number of full-time equivalent sworn police officers and special constables that are supporting prisoner transportation and/or court security	Total number of full-time equivalent sworn police officers and special constables assigned to prisoner transportation and court security duties Total number of full-time equivalent sworn police officers and special constables assigned to prisoner transportation duties Total number of full-time equivalent sworn police officers and special constables assigned to court security duties
Number of prisoner transportation trips	Number of prisoner transportation trips between correctional institutions and court locations for the purpose of transporting persons in-custody to attend court

**SCHEDULE “E”
PAYMENT PLAN AND REPORTING SCHEDULE**

The Funds in the amount of **\$3,113,581.00** will be provided to the Recipient according to the following schedule:

- A. First Instalment: **\$778,395.25** will be paid to the Recipient once the Recipient has signed the Agreement and provided adequate proof of insurance to the Province **(due by February 16, 2024)** in accordance with section A10.2 of the Agreement, and the Agreement has then been signed by the Province.

- B. Second Instalment: **\$778,395.25** will be paid to the Recipient, following the Province’s receipt and approval of the 2023 Annual Financial Report **(due by April 12, 2024)**. *Subsequent payments will not be released until the Province has received and approved the 2023 Annual Financial Report.*

- C. Third Instalment: **\$778,395.25** will be paid to the Recipient by the end of September 2024.

- D. Final Instalment: **\$778,395.25** will be paid to the Recipient by the end of December 2024.

- E. The Recipient must submit the 2024 Annual Financial and Performance Measurement Report (Schedule “G”) to the Province **by March 31, 2025**.

**SCHEDULE “F”
COURT SECURITY AND PRISONER TRANSPORTATION
SERVICES AND ACTIVITIES ELIGIBLE FOR FUNDING**

A. COURT SECURITY includes:

1. Facility Perimeter Security

Costs associated with external and/or internal presence of police or other security personnel during regular or non-regular hours to secure the perimeter of the facility, to respond to a specific threat or for high-profile matters.

2. Courtroom Security

Costs associated with the presence of police or other security personnel in the courtroom to ensure the safety and security of the proceedings and attendees.

3. General Courthouse Security Presence

Costs associated with the use of screening stations to screen all public visitors to the courthouse, including the use of magnetometers and x-ray machines, and police or other security personnel assigned to perform roving patrols of the court facility.

4. Prisoner Movement in Courthouse

Costs associated with monitoring the movement of prisoners between holding cells and other areas within the courthouse.

5. Prisoner Guarding in Holding Cells

Costs associated with guarding and monitoring of prisoners brought to court and held in courthouse holding cells (where applicable).

6. Prisoner Feeding

Costs associated with the provision of meals to prisoners required while in the custody of local police services for the purpose of attending court.

B. PRISONER TRANSPORTATION includes:

1. Prisoner Transport

Costs associated with the movement of prisoners between correctional institutions and court locations for the purposes of attending court.

2. Prisoner Transport - Youth

Costs associated with the movement of custodial minors (i.e. 12-17 years old) between correctional and/or custodial facilities and court locations for the purposes of attending court.

*PRISONER includes: Persons being held in custody as a result of provincial or federal offence proceedings, including persons under immigration detention.

C. TRAINING, EQUIPMENT AND RECRUITING includes:

1. Costs associated with training that is relevant to court security and prisoner transportation only.
2. Cost associated with equipment that is unique to the provision of court security and prisoner transportation and does not include equipment that would be utilized for other purposes.
3. Costs associated with recruiting that is relevant to the staffing of court security and prisoner transportation only. Costs may include advertising for applicants, physical fitness and/or psychological testing, applicant screening, interviews or any other related human resources expense.

COURT SECURITY AND PRISONER TRANSPORTATION do NOT include:

Court Administration

Costs associated with performing court administrative duties including the scheduling of staff for daily deployment, the service of legal documents, the preparation/maintenance of Crown Brief materials, the entry of data into court information systems, preparing or swearing/affirming legal documentation, scheduling of court appearances or other duties of a related nature.