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Item No. 4.1
Community Planning and Economic Development Standing Committee
December 4, 2017

TO: Chair and Members of Community Planning and Economic Development Committee

Original Signed

SUBMITTED BY: _____
John Traves, Q.C., Director of Legal, Municipal Clerk & External Affairs

DATE: November 6, 2017

SUBJECT: Administrative Order 2017-002-ADM Charter of Governing Principles for Regulation

ORIGIN

On August 1, 2017, an information report titled "Update on Regulatory Reform, Performance Excellence and Customer Service Initiatives" was brought forward to Regional Council which included an update on the draft Charter of Principles (see Attachment 1).

October 31, 2016: Memorandum of Understanding signed between the Office of Regulatory Affairs and Service Effectiveness outlining aspects of the joint project.

On October 4, 2016, Regional Council passed the following motion:

THAT Regional Council:

1. Authorize the CAO to commit a staff resource, reporting to the CAO, to work with the Nova Scotia Office of Regulatory Affairs and Service Effectiveness on red tape reduction for a period of six months with the possibility of extension of up to three years;
2. Approve funding in the amount of up to \$65,000 in 2016/17 to be allocated to the project, as per the Financial Implications section of the supplementary staff report dated September 19, 2016; and,
3. Have staff report to Regional Council on progress in six months.

MOTION PUT AND PASSED UNANIMOUSLY.

LEGISLATIVE AUTHORITY

The *Halifax Regional Municipality Charter* (HRM Charter), subsection 59(3), "In addition to matters specified in this Act or another Act of the Legislature, the Council may adopt policies on any matter that the Council considers conducive to the effective management of the Municipality."

HRM Charter, subsection 183(6), "The Council may, by policy, further determine the procedure to be followed and the notice to be given with respect to the introduction and passing of by-laws"

Administrative Order One, the *Procedure of Council Administrative Order*, Schedule 3 - Terms of Reference for the Community Planning and Economic Development Standing Committee that:

6. The Community Planning and Economic Development Standing Committee shall have an active interest in the Agencies and Initiatives that support Community and Economic development throughout the municipality by:

(a) promoting and encouraging the development of programs, policies in initiatives in the municipality that support Community and Economic development throughout the municipality;

Administrative Order Number Fifty- four, the *Procedures for the Development of Administrative Orders*.

RECOMMENDATION

It is recommended that Halifax Regional Council adopt:

- (1) Administrative Order Number 2017-002-ADM, the *Charter of Governing Principles for Regulation Administrative Order*, as set out in Attachment 2 of this report; and
- (2) the amendments to Administrative Order 32, the *By-law Development Administrative Order*, as set out in Attachment 3 of this report.

BACKGROUND

On October 4, 2016, Halifax Regional Council endorsed a joint project to reduce regulatory burden on business between the Provincial Office of Regulatory Affairs and Service Effectiveness (the Office) and the Halifax Regional Municipality (HRM).

Since that time HRM and the Office have:

- signed a memorandum of understanding outlining aspects of the joint project including its three key objectives:
 - the development and adoption of guiding principles of regulation based on the Charter of Principles which has been adopted by the Premiers of the Maritime Provinces;
 - identification of three areas of priority change in municipal regulation to reduce regulatory burden and a plan for addressing each area; and,
 - trial and adoption of a customer service strategy for business that includes elements of the business service plan developed for Nova Scotia by the Office;
- brought together an advisory panel of Municipal, Provincial, and external business stakeholders; and,
- HRM has hired a staff person to be dedicated to the joint project given the Provincial Office's decision not to hire a staff person on a term basis as previously agreed between HRM and the

Province.

With the realignment of the municipality's organizational structure, the staff person will be housed in the Corporate and Customer Service business unit and will report directly to the Director of Corporate and Customer Services reporting to the Chief Administrative Office who is championing our Red Tape Reduction and Performance Excellence initiative.

The staff report considered by Regional Council on October 4, 2016, highlighted the key statements of the Charter of Governing Principles for Regulation that the Maritime Premiers have adopted. These include:

- regulation should be a public policy tool of last, not first, resort;
- government should favour non-regulatory options like education, voluntary compliance, and incentives if they are equally effective;
- if regulation is enacted, it should be in the lightest form possible and based on cost-benefit analysis to business, government, and the overall economy; and
- the process of making regulations should be transparent, evidence-based, and consultative.

In late 2015, the Province of Nova Scotia passed the *Regulatory Accountability and Reporting Act*. Among other things, this Act sets in legislation some of the aims of the province's work on regulatory reform. It also refers to the adoption of a Charter of Governing Principles of Regulation by the Minister of Regulatory Affairs and Service Effectiveness.

HRM's Administrative Order AO-54, the *Procedures for the Development of Administrative Orders*, requires that all new policy adopted by Council be in the form of an Administrative Order. Accordingly, the proposed Charter of Principles has been drafted in this form for Council's consideration.

DISCUSSION

Regulation is a necessary and important function of all orders of government. Regulation protects and advances the public interest in health, safety, and security, the quality of the environment, and the social and economic well-being of communities and individuals. At the same time, regulations impose a cost to those entities that are subject to regulation including business of all sizes. Results from the Statistics Canada Survey of Regulatory Compliance Costs indicate that the cost of regulatory compliance to Canadian small and medium sized enterprises was \$4.76 billion in 2011.¹ While in this same survey, a majority (65%) of companies indicated that the cost of regulatory compliance is at an acceptable level, a majority (58.9%) believe that regulatory cost compliance reduction should be a moderate or high priority.²

Like Nova Scotia, other jurisdictions and orders of government have taken recent steps to reduce the burden of regulation on businesses. In 2015 the Government of Canada enacted the *Red Tape Reduction Act* which codifies the "one-for-one" rule which aims to reduce regulatory burden on business by requiring regulators to offset from existing regulations an equal amount of administrative burden. In Ontario, the *2014 Burden Reduction Report Act* requires government to publish an annual report on its burden reduction activities.

¹ As reported in Industry Canada's [SME Regulatory Compliance Cost Report September 2013](#). The Survey of Regulatory Compliance Costs measures regulatory compliance costs originating from three areas of regulation: tax-related [though not the cost of taxes themselves], employment-related and other regulations. Other includes mandatory Statistics Canada surveys, municipal and provincial licences and permits, corporate registration, and all other federal, provincial and municipal regulations.

² This question was asked in the context of federal regulatory compliance costs.

A Charter of Governing Principles for Regulation (Charter of Principles) is one means by which Halifax Regional Council can articulate its support for the reduction of regulatory burden and provide policy direction for the development of new, or the modification of existing municipal regulations. This will have a direct impact on the implementation of the Halifax Economic Growth Plan and the objective to make Halifax an easier place to do business by ensuring that the costs and benefits of potential regulatory and non-regulatory options are assessed before a solution is chosen. This will make the regulation that is adopted, more effective and efficient while reducing burden on business.

The proposed Charter of Principles applies to the development, adoption and implementation of HRM's future general application by-laws and amendments to existing ones. These powers are granted to HRM by the Province of Nova Scotia through various legislative provisions, including sections 104 (By-law regarding payment of charges), 188 (Power to make by-laws), and 324 (street encroachment) of the HRM Charter, and section 305 (Regulation and licensing by municipal by-law) of the *Motor Vehicle Act*. These by-laws are all enacted by Regional Council and, except for local improvement charges, apply throughout the Municipality. This is different than land use by-law amendments which are passed by Community Council and may be local or site specific in nature and time sensitive. Staff is recommending that the Charter of Principles apply only to by-laws (hereinafter referred to as "Regulations") that are considered by Regional Council and apply throughout the Municipality. This would not include land-use by-laws and local improvement charges.

The proposed Charter of Principles is similar to the Premier's Charter of Governing Principles for Regulation in that it:

- acknowledges Regulation's important role in protecting consumers, workers, and the health, safety and environment of citizens and communities;
- affirms that Regulations should be developed only when alternative means to address the said issue (e.g. self regulation, education and outreach) are deemed insufficient;
- states that compliance and enforcement costs of Regulation for both businesses and the Municipality, should be quantified and that Regulations should be monitored and reviewed periodically to track performance and outcomes.

The HRM Charter of Principles creates additional considerations for decision-making in the development of new general application by-laws. Should the Charter be adopted it is proposed that it come into force in February 1, 2018. This will permit guidelines and supporting processes to be developed and introduced by staff to support the effective implementation of the Charter. Such guidelines and processes would build on existing practices of the municipality that would normally include estimating impacts of Regulations and consulting with affected parties.

Should the Charter of Principles be adopted by Regional Council, HRM will use the guidelines below from the Premier's Charter of Principles to support staff in implementing HRM's Charter of Principles.

Guidelines for Developing and Assessing Regulation

1. The policy need should be clearly articulated at the outset
 - illustrate how the need relates to relevant policy goals
2. A Regulation should be the only effective and necessary way to meet the policy need
 - a full range of regulatory and non-regulatory instruments and options is identified (e.g. do nothing; educate; improve information sharing; use the market; use financial or other incentives; self-regulate; voluntary codes of practice)
 - A Regulation is shown to be clearly and demonstrably superior to other alternatives
 - other alternatives are shown not to be effective in achieving a satisfactory outcome
 - assessment of alternatives is based on best available evidence

3. A Regulation should be a tempered response
 - is proportionate to the issue being addressed
 - is targeted to the area of need
 - is the lightest form of regulation required to achieve the policy outcome
 - does not unduly burden those being regulated
 - takes into account the entire burden and impact of existing Regulation on the regulated in considering the adoption of new Regulation
 - is considered and predictable and, barring compelling urgency, is not a rushed response to current events
4. A Regulation should be accountable
 - the costs and burdens of Regulation are measurable
 - the impact of a Regulation is assessed before it is adopted and outcomes are monitored afterward
 - regulators and the regulated are accountable for an effective regulatory system and compliance, respectively
 - a Regulation and the measurement of its performance and impact is evidence-based, objective and free from bias
 - existing Regulations should be systematically reviewed for compliance with the Charter
5. Regulations should be accessible and easy to comply with
 - the process of making and monitoring Regulations represents affected parties and is transparent
 - representations from affected parties are solicited and considered in a timely and meaningful way in making and monitoring a Regulation
 - A new Regulation does not introduce unnecessary complexity by duplicating legislation or conflicting or overlapping with other regulations, requirements or forms already in place
 - A Regulation should be written to be understood and complied with by the regulated as opposed to serving the administrative or drafting convenience of the regulator
 - A Regulation should not be harder to comply with than equivalent regulation in relevant jurisdictions
 - A Regulation should consider the critical importance of strong customer service values and standards in achieving high regulatory performance
6. A Regulation should consider economic impact
 - promotes a fair and competitive market economy
 - promotes ease of interprovincial commerce
 - presumed not to have the effect of creating an obstacle to internal or international trade
 - presumed that the measured cost or burden of a new Regulation is at least offset by a reduction in the cost or burden of existing Regulation(s)

With respect to the measurement of the impacts on business of a proposed Regulation the Office has developed a business impact assessment tool that could be adopted by HRM for quantifying regulatory impacts. Such a tool could also be used to set and monitor regulatory burden cost reduction targets should HRM choose to do so.

Administrative Order 32

For all by-laws that are not planning related, the *HRM Charter* requires a by-law be given: First Reading, advertising of Second Reading, Second Reading, Ministerial approval (if required) and publication. The *HRM Charter* allows Regional Council to enact additional procedures for the adoption of by-laws which Regional Council has enacted through Administrative Order Thirty-two, the *By-law Development Administrative Order*.

If Council adopts the Charter of Principles, staff is recommending Administrative Order 32 be amended to add a reference to it.

FINANCIAL IMPLICATIONS

The implementation of the Charter of Governing Principles for Regulation will be undertaken within current budgets. Actions that lead to proposed activities requiring unanticipated budget allocations will be brought forward to Regional Council for approval.

RISK CONSIDERATION

Adoption of the Charter of Principles by Regional Council will place a greater burden on staff to quantify the impacts of proposed regulation on business and enforcement and compliance costs for the Municipality. The added due diligence is deemed worthwhile since more effective and efficient regulations will benefit HRM, businesses, various stakeholders, and citizens. The HRM Charter protects by-laws from a successful court challenge where a by-law is challenged based on a procedural irregularity, the legislation states that: "No by-law may be quashed for a matter of form only or for a procedural irregularity."

COMMUNITY ENGAGEMENT

The Charter is based on a provincial model that was informed by stakeholder consultation. The Advisory Panel - Joint Project Regulatory Modernization, which includes Provincial, Municipal, business and industry representatives was consulted on the content of the Charter.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications to this report.

ALTERNATIVES

- 1. Council may choose not to adopt the proposed Charter of Governing Principles.** HRM has committed to developing principles of regulation for Regional Council's consideration, and stakeholder expectations are high that they be adopted. A decision by Regional Council to refuse to adopt principles would jeopardize the joint project, and almost certainly have a negative impact on the municipality's reputation.
- 2. Council may choose to adopt the Charter of Governing Principles with amendment.** Should Council choose to make amendments to the Charter it is recommended that staff return with a supplementary report that outlines implications of possible amendments.

ATTACHMENTS

ATTACHMENT 1 – Update on Regulatory Reform, Performance Excellence and Customer Service Initiatives report

ATTACHMENT 2 - Administrative Order Number 2017-002-ADM Charter of Governing Principles for Regulation

ATTACHMENT 3 - Showing Proposed Changes to Administrative Order 32

ATTACHMENT 4 - Administrative Order Amending Administrative Order 32

ATTACHMENT 5 - Memorandum of Understanding signed between the Office of Regulatory Affairs and Service Effectiveness

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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Item No. 3
Halifax Regional Council
August 1, 2017

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by Director

Jane Fraser, Director, Corporate & Customer Services

DATE: July 24, 2017

SUBJECT: Update on Regulatory Reform, Performance Excellence and Customer Service Initiatives

INFORMATION REPORT

ORIGIN

This is a staff-generated report providing an update on HRM's regulatory reform project with the Province of Nova Scotia and related regulatory, performance excellence and customer service initiatives.

LEGISLATIVE AUTHORITY

The Halifax Regional Municipality (HRM) Charter provides Council with the power to make policies and by-laws for a variety of purposes, including the regulation of certain activities.

BACKGROUND

In December 2016, Regional Council confirmed its new Priority Areas: Economic Development; Service Delivery; Healthy, Liveable Communities; Social Development; Governance & Engagement; and Transportation. These priority areas have 25 outcomes in total, three of which are directly related to regulatory reform, performance excellence and customer service initiatives. They are:

- Under the Economic Development priority area:
 - **Promote & Maximize Growth** – HRM promotes a business climate that drives and sustains growth by improving competitiveness, minimizing barriers and leveraging our strengths;
- Under the Service Delivery priority area:
 - **Service to Our Business** – HRM simplifies processes and delivers service to promote and encourage a vibrant business environment; and,
 - **Service to Our People** – HRM understands the needs and perspectives of the people they serve, and provides quality service through a person focused approach.

DISCUSSION

HRM has undertaken several activities in recent months in a concerted effort to reduce red tape, improve customer service and make government more efficient. Examples are outlined below.

Regulatory Reform Project with the Province of Nova Scotia

In October 2016, HRM and the Nova Scotia Office of Regulatory Affairs and Service Effectiveness (the Office) launched a joint effort to reduce undue regulatory burdens facing businesses operating in HRM.

At Regional Council's direction, HRM has committed resources to dedicate a staff resource to the project to: draft principles of regulation for potential adoption by Regional Council; identify and address needed municipal regulatory reforms in specific areas; develop methods to assess the economic impacts of existing and proposed regulations on businesses; and, align, where possible, provincial and municipal government customer service practices. Project objectives are outlined in a Memorandum of Understanding that was signed by the Chief Administrative Order and the Province's Chief Regulatory Officer in October.

A change in project approach that will see the dedicated staff resource hired by HRM rather than the province, and associated processes, has delayed the project from its initial timelines. This said, progress has been made in several areas including:

- **Governance.** The Advisory Committee tasked with providing strategic guidance on the project is chaired by Jordi Morgan, Vice President (Atlantic Canada) of the Canadian Federation of Independent Business, and it includes representatives from HRM, the Office, the Halifax Partnership, Halifax Chamber of Commerce, Canadian Restaurants Association, Spring Garden Area and Business Association, and Urban Development Institute. It met in December 2016 and in March 2017 to discuss project deliverables, the drafting of an HRM charter on regulation, and regulatory issues to address in the near-term. In April 2017, HRM responsibility for the project was transferred from the CAO's Office to the newly established Corporate and Customer Services Business Unit.
- **Staffing.** In December 2016, interviews were conducted to fill the project lead position that would report to the Province. However, project partners later agreed that the project would be better served if the resource were to reside within HRM. As such, HRM human resource policies and practices had to be adhered to. A new round of interviews took place in July 2017 and the position is expected to be filled by late summer.
- **Charter of Principles.** HRM staff are drafting HRM principles on regulation in the form of an administrative order to guide the development of new general application by-laws. It is scheduled to be presented to Regional Council in 2017.

It is anticipated that the next meeting of the Advisory Committee will take place in September 2017, at which time the new staff resource will be introduced, the draft administrative order on regulation will be discussed, specific regulatory issues to be addressed in the near-term will be finalized, and ways to better communicate HRM's existing regulatory and customer service work with broad stakeholders will be probed.

Performance Excellence

- **Performance Excellence Training.** A training program has commenced for approximately 150 senior level employees of the organization to create an understanding of performance excellence and associated continuous improvement methodologies and tools, such as Lean Six Sigma. This is to make HRM more client-centric, collaborative, efficient, and effective. Specific LSS training will be part of the

next phases of training over the next 12 months or so, which will include middle managers and front line staff.

- **KPI development.** As part of its sustainable fiscal strategy, the municipality initiated a project to advance the use of Key Performance Indicators (KPIs) and data driven-decision making. HRM has joined the Municipal Benchmarking Network Canada (MBNCanada), a partnership between 16 Canadian cities. This is a multi-year project with reporting scheduled to commence in 2018-19.

Regulatory Improvements

- **Centre Plan.** The Centre Plan will bring greater clarity to development in the Regional Centre (the area defined as Dartmouth within the Circumferential Highway and Peninsular Halifax) by creating a new Secondary Municipal Planning Strategy for the area that will replace four community plans and four land use by-laws that were drafted mostly in the late 1970s. On Tuesday, June 13 2017, Regional Council unanimously approved the direction of the Centre Plan. Now, staff are using the Centre Plan document to craft detailed Secondary Municipal Planning Strategy and Land Use By-law regulations for adoption. Consultation on these regulations will take place in the Fall of 2017 to support the adoption process through the Community Design Advisory Committee, the Community Planning & Economic Development Standing Committee, and Regional Council. The project's status can be tracked at centreplan.ca.
- **Bylaw Simplification.** There are 21 Secondary Planning Strategies and 22 Land Use Bylaws which direct development in HRM. Many of the bylaws are in their original forms and pre-date amalgamation, although they have been amended over time. Due to the diverse origins of each land use bylaw and the piecemeal approach to amendments, there is a lack of consistency in the application of general definitions, land use designations, building and site requirements and approval processes. The Land Use Bylaw Simplification Project is expected to address these issues and result in reduced staff resourcing requirements, faster application processing times, fewer planning applications requiring Council approval, and increased clarity amongst stakeholders. The LUB Simplification team is supporting the adoption of regulations in the Centre Plan area and will reduce the number of plans and by-laws starting with those in the Regional Centre.
- **Permitting and Licensing System.** To revitalize customer service and service delivery, an RFP for a new permitting and licensing system was issued and closed in March. HRM will consider online application submission and permit generation, electronic documentation and circulation, use of field technology, and improved customer experience through online services. The focus will be on creating easy access to services, modernizing our processes, and reflecting best practices.

The delivery of the Centre Plan, By-law simplification, and permitting and licensing system are key deliverables in Planning and Development's five-year strategic framework (2015-19).

- **Temporary Signage.** Staff have been consulting with internal and external stakeholders to consider possible by-law amendments to the Temporary Sign by-law and payment options for temporary sign licenses. Staff are considering several ways of reducing the regulatory burden, including the provision of municipal licenses to allow sign rental businesses to operate within HRM which would remove the administrative burden of applications for individual signs.

Customer Service Improvements

- **Customer Service Strategy.** In April 2017, HRM completed a draft Corporate Customer Service Strategy for internal and external clients that includes a draft five-year action plan. The new Corporate and Customer Services Business Unit will oversee its implementation.
- **Web transformation.** On June 28, 2017, HRM launched its new website, supported by a new content management system. It can incorporate new digital services, including ePayment solutions, as they are developed.

These are examples of the ways in which HRM is reducing red tape, making the delivery of its programs and services more efficient, and improving customer service.

FINANCIAL IMPLICATIONS

Work outlined in this report is being undertaken within current budgets.

COMMUNITY ENGAGEMENT

There was no community engagement in the preparation of this report.

ATTACHMENTS

None.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Jake Whalen, Senior Advisor, Economic Policy & Development, 902-490-2349

Report Approved by: Jane Fraser, Director Corporate & Customer Services, 902-490-4630

**ADMINISTRATIVE ORDER NUMBER 2017-002-ADM
CHARTER OF GOVERNING PRINCIPLES FOR REGULATION**

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

WHEREAS the Province of Nova Scotia has adopted principles that guide regulators on regulatory reform and modernization

AND WHEREAS regulation is a powerful and sometimes necessary instrument of public policy that can support efficient and effective markets and protect consumers, workers, and the health, safety and environment of citizens and communities;

AND WHEREAS the purposes of the *Halifax Regional Municipality Charter* include enhancing, the ability of the Council to respond to present and future issues in the Municipality and recognizing that the functions of the Municipality are to provide good government and develop and maintain safe and viable communities;

AND WHEREAS unnecessary or outdated regulation can distort markets, unduly burden citizens, businesses and governments, and impede economic growth;

AND WHEREAS regulation should never be an instrument of first resort, and should be deployed only when necessary and where there is clearly no better policy alternative;

AND WHEREAS regulation should not impose undue costs and obligations on business, social enterprises, individuals and community groups unless a cost benefit analysis shows that the regulation is warranted;

AND WHEREAS the policy outcomes and impacts of regulation should be measurable;

Short Title

1. This Administrative Order may be cited as the *Charter of Governing Principles for Regulation Administrative Order*.

Purpose

2. The purpose of this Administrative Order is to set out considerations for the development, adoption, and implementation of new regulation in the Municipality.

Interpretation

3. In this Administrative Order,

- (a) "Council" means the Council of the Municipality;
- (b) "HRM Charter" means the *Halifax Regional Municipality Charter*, 2008, SNS. C.39, as amended;
- (c) "Municipality" means the Halifax Regional Municipality; and
- (d) "Regulation" means a by-law adopted by Council in the execution of a power granted by or under an enactment.

Application

4. (1) Subject to subsection 2, this Administrative Order is to be used in the development and consideration of new by-laws, amendments to existing by-laws, and the implementation of such by-laws

that, in the opinion of the Municipality, will impose new restrictions on a business, industry, community or citizen.

(2) This Administrative Order shall not apply to land use by-laws or by-laws imposing local improvement charges.

Developing Regulation

5. The purpose of a Regulation and its outcomes shall be stated at the outset.
6. Regulations must not be inconsistent with an enactment of the Province or of Canada.
7. Unless Council otherwise directs, when developing a Regulation, the following will be considered:
 - (a) whether the Regulation is expected to achieve the stated purpose, including whether the Regulation is proportionate and targeted at the stated purpose;
 - (b) whether satisfactory outcomes can be achieved by alternative non-regulatory approaches;
 - (c) whether analysis of the costs and benefits demonstrates that the regulatory approach will achieve outcomes more effectively than the alternative non-regulatory approaches;
 - (d) whether the Regulation imposes unreasonable restrictions on those being regulated;
 - (e) the extent of existing municipal regulations in the area to be regulated;
 - (f) whether the new Regulation duplicates existing regulatory requirements and processes adding unnecessary complexity and burden on affected parties;
 - (g) the importance of accessible and transparent administrative processes and customer service standards in achieving efficient and effective regulatory performance;
 - (h) whether the Regulation responds to an existing community need rather than a current event;
 - (i) the anticipated costs of regulatory compliance for those being regulated and the costs of regulatory enforcement to the Municipality, including whether there is an ability to reduce such costs by repealing or amending existing regulations or the manner in which existing regulations are implemented;
 - (j) how success of the Regulation will be measured, including the outcomes that will be monitored if the regulation is adopted; and
 - (k) whether it would be appropriate to draft the Regulation in plain language.

Considerations for the Adoption of a Regulation

8. When considering Regulations, Council may consider:
 - (a) any consideration in section 5, 6, and 7 of this Administrative Order;
 - (b) if a Regulation is warranted;
 - (c) if the purpose of a Regulation may be achieved by an alternative means, including
 - (i) whether a Regulation is preferable to a self-regulatory approach, such as doing an education program, and
 - (ii) whether the alternative means of achieving the purpose of the Regulation will, in the opinion of Council, be ineffective in achieving the purpose;

(d) if the remedial provisions of the Regulation are predictable, proportionate, and are targeted at compliance;

(e) if the Regulation complies with this Administrative Order; and

(f) any other matter Council considers appropriate.

Adoption Process

9. Subject to section 19 of the *HRM Charter*, Council meetings where a Regulation is considered must be open to the public.

10. Council will hold a public hearing before adopting a Regulation if:

(a) a public hearing is required by the HRM Charter; or

(b) Council decides it wants to hold a public hearing.

Review Regulation

11. (1) Adopted Regulations may be reviewed from time to time.

(2) Regulations that are reviewed must be reviewed objectively and may include external consultations.

Posting Regulations

12. Adopted Regulations must be made accessible to the public.

Effective Date

13. This Administrative Order comes into force February 1, 2018.

Mike Savage, Mayor

Kevin Arjoon, Municipal Clerk

I, Kevin Arjoon, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on [month], [day], 201 .

Kevin Arjoon, Municipal Clerk

**ADMINISTRATIVE ORDER NUMBER 32
Respecting the Procedures for Developing By-Laws**

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality pursuant to subsection 6 of section 183 of *the Halifax Regional Municipality Charter* as follows:

Short Title

1. This Administrative Order may be cited as Administrative Order Number Thirty-two, the By-law Development Administrative Order.

Purpose

2. (1) The purpose of this Administrative Order is to create a coordinated framework to expedite consistent By-law writing, consultation, approval process, referencing, storing and accessing and to ensure that all business units are aware of the responsibilities they will have in respect of a By-law before it is introduced before Regional Council and is to be read in conjunction with Administrative Order 2017-ADM-002, the *Charter of Governing Principles for Regulation Administrative Order*.

(2) Subject to Section 3, the procedure in this Administrative Order applies to all By-laws including By-laws developed to amend or consolidate existing By-laws.

3. This Administrative Order does not apply to planning documents adopted pursuant to Part VII (Planning and Development) and Part IX (Subdivision) of the *Halifax Regional Municipality Charter*.

4. Repealed.

Initiation of By-law

5. By-laws may be initiated in one of three ways:

(a) By a Member of Council;

(b) By an Advisory Committee to Council, by means of a recommendation from the Committee which is sent to staff for a report and ultimately considered at a Regional Council meeting; or

(c) By staff, by means of a staff report to Regional Council.

Writing of By-laws

6. Repealed.

6A (1) The lead business unit shall contact Legal Services, who shall assign a solicitor to draft the By-law and will consult on legal issues as required.

(2) The lead business unit will consult with all affected business units throughout the process, including:

(a) Financial Services to address any financial considerations; and

(b) All business units which will be involved in the licensing, administration, remedy and enforcement of the By-law to ensure the by-law is enforceable.

(3) The lead business unit will consult with any Committees of Council with a stake in the By-law.

(4) The lead business unit may consult with any External Stakeholder groups. Methods of consultation with external stakeholders may vary and is at the discretion of the lead business unit.

(5) After the consultations, the lead business unit shall prepare drafting instructions and forward them to Legal Services and the business unit and Legal Services will agree on a date when a draft will be provided to the business unit for its review.

(6) By-laws are drafted by staff of Legal Services with the assistance of the staff of the lead business units.

(7) The template for drafting by-laws is attached as Schedule "A".

(8) Where applicable, Legal Services, with the assistance of the lead business unit, shall prepare an amendment to Administrative Order Number 15, the License, Permits and Processing Fees Administrative Order.

(9) Upon completion of the drafting of the By-law and amendments to Administrative Order 15, Legal Services will provide a copy of the completed draft By-law and Administrative Order to the lead business unit for its review.

(10) The lead business unit shall circulate the draft By-law and Administrative Order to all those affected departments of the municipality for comment.

(11) Legal Services will, in consultation with the lead business unit, make any necessary changes to the drafts. A revised draft, if necessary, will be provided to the lead business unit.

(12) Where a revised draft is provided, the lead business unit shall circulate the revised draft By-law and Administrative Order to all those affected departments of the municipality for comment.

(13) Once a final draft is agreed upon, a By-law number will be assigned by Legal Services to the completed draft of the By-law which must be used on all documents, and return them to the lead business unit.

(14) Once a By-law number has been assigned, the lead business unit shall create a staff report and forward the staff report with the final drafts of the By-law and Administrative Order to Regional Council with a recommendation to either adopt or not adopt the By-law.

Regional Council

7. (1) After the By-Law and Administrative Order 15 amendments have been approved by Legal Services, the originating business unit shall forward the staff report, draft by-law and Administrative Order 15 amendments to Regional Council. At the Council meeting, a member of Regional Council may give a notice of motion for first reading of the By-law.

(2) Any amendments to By-laws as a result of debate/discussion at Council will be made by Legal Services in consultation with the originating business unit and all affected business units. The Clerk's Office will provide information to confirm Council's action.

(3) Repealed.

Approval Process

8. The Municipal Clerk's Office is responsible, with support from the originating business unit and Legal Services, for coordinating the approvals and advertising process once the By-law and accompanying report is submitted to Council. The steps below outline the process and time frames involved. A table illustrating the time line for the approval process of By-laws is attached hereto as Schedule B.

All By-laws require a Notice of Motion and Two Readings

9. (1) The process for the adoption of a By-law is as follows:

Notice of Motion

A member of Council serves Notice of Motion at a regular meeting of Council. The originating business unit prepares the Notice of Motion and arranges for introduction by a member of Council, in consultation with the Clerk's office.

First Reading

The following week, upon submission of the proposed By-law and supporting staff report, Council gives First Reading to the By-law.

If Council directs that amendments be made to the proposed By-law, Legal Services will draft the amendments and provide them to the originating business unit. The originating business unit will prepare a supplementary report, if required, and forward the report and amendments to Council for First Reading. A By-law that passes First Reading will proceed to Second Reading.

Second Reading (Public Hearing) and Advertisement

At least 14 days prior to the Council meeting where Second Reading is intended to be given, public notification of such intent is placed in the local newspaper and the HRM Internet site. The advertisement must state the object of the By-law, the date of the Council meeting and the location(s) where the proposed By-law may be inspected or a copy obtained.

(2) A Notice of Motion to amend the Licence, Permit and Processing Fees Administrative Order, if necessary, should be given at the same meeting where Second Reading is given and the by-law is adopted. At the next meeting of Council, the amendment to the Administrative Order is considered.

(3) A public hearing is not required on the enactment or amendment of a By-law unless specifically directed by Council.

Signage, advertisement and effective date

10. Once a By-law is adopted by Council:

(i) The originating business unit forwards the complete electronic version (including schedules and maps) of the By-law to the Municipal Clerk's Office;

(ii) Copies of the By-law are signed by the Mayor and Municipal Clerk and notification of the approved By-law is advertised in the newspaper and on the HRM Internet site;

(iii) Where Ministerial approval is required, the Clerk's office will forward two certified copies of the By-law to the appropriate Provincial department;

(iv) Once this approval has been received, notification of the approved By-law is advertised and placed on the HRM Internet site, and pursuant to section 184 of the Halifax Regional Municipality Charter, the Clerk also files a certified copy of the By-law with the Minister of Service Nova Scotia and Municipal Relations. Unless otherwise stated in the By-law, its effective date is the date of publication.

(v) A certified copy of the ad announcing approval of the By-law is placed with the signed copy of the By-law.

Distribution, storage and indexing of by-law

11. (1) The original By-law is securely filed in the Municipal Clerk's Office. Copies are distributed to internal and external customers as identified on a distribution list maintained by the Municipal Clerk's Office, as may be revised from time to time. All approved Bylaws are electronically stored for access both internally and externally.

(2) A By-law Index (detailing Notice of Motion, First and Second readings, dates advertised, date of Ministerial approval, if required, effective date, etc.) is maintained by the Municipal Clerk's Office.

Mayor

Municipal Clerk

Schedule "A"
BY-LAW TEMPLATE

By-law #: *(to be determined by Legal Services)*

By-law Name:

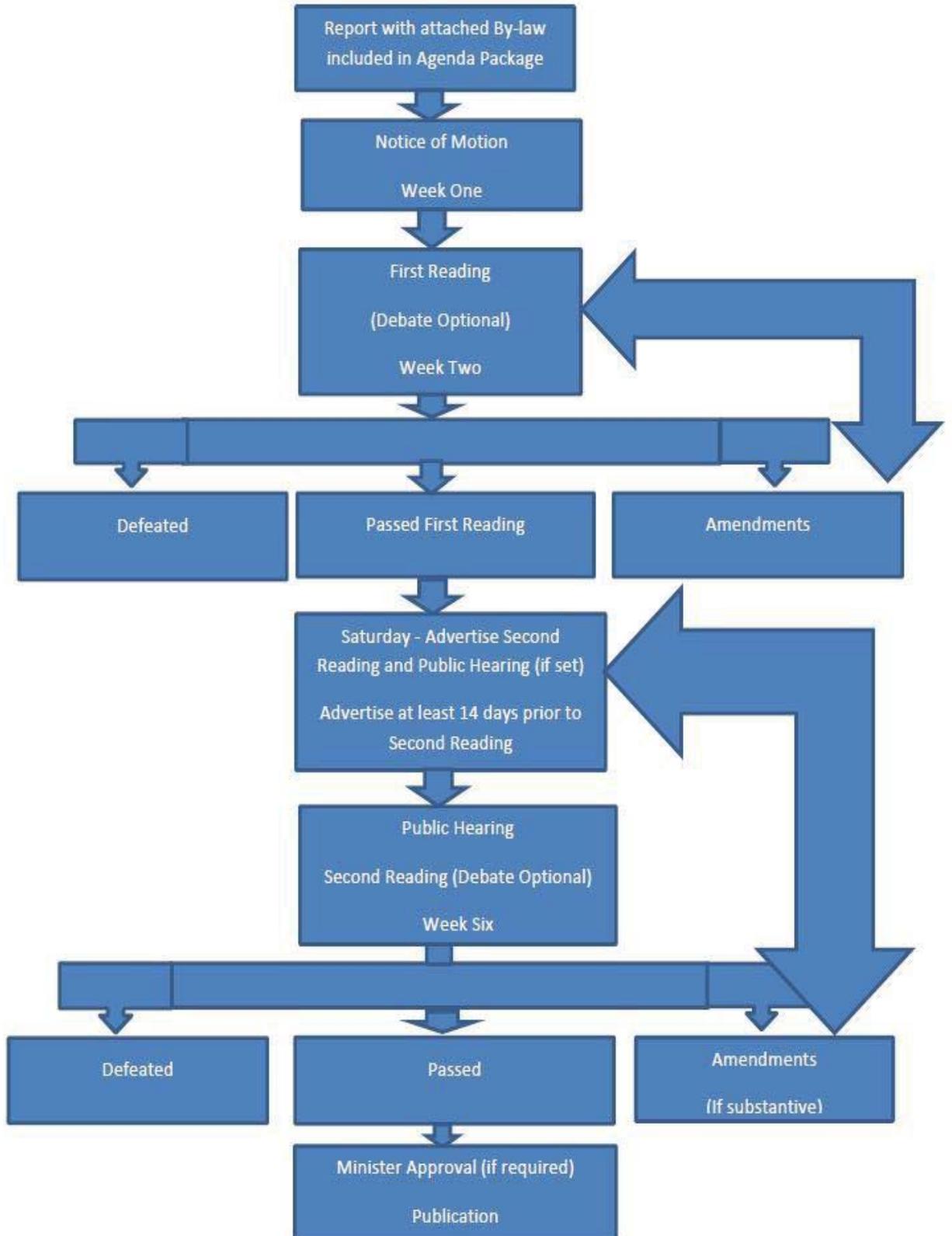
Short Title:

Interpretation/Definitions

By-law: *(insert the by-law content in this space)*

Repeal Section: *(if necessary)*

**Schedule "B"
By-law Adoption Process**



ADMINISTRATIVE ORDER NUMBER 32
Respecting the Procedures for Developing By-Laws

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality pursuant to subsection 6 of section 183 of *the Halifax Regional Municipality Charter* that Administrative Order 32, the By-law Development Administrative Order, is further amended as follows:

1. Subsection 2 (1) is amended by adding the words “and is to be read in conjunction with Administrative Order 2017-ADM-002, the *Charter of Governing Principles for Regulation Administrative Order*” after the word “Council” and before the period.
2. This Administrative Order comes into force February 1, 2018.

Done and passed this day of , 20 .

Mayor

Municipal Clerk

Approved as to Form
and Authority
Original Signed
SUBCOT

MEMORANDUM OF UNDERSTANDING

Between:

**Halifax Regional Municipality
(the "Municipality")**

and

the Province of Nova Scotia

represented by the

**Office of Regulatory Affairs and Service Effectiveness
(the "Office")**

**RE: TRIAL ARRANGEMENT FOR JOINT ACTION TO REDUCE REGULATORY
BURDEN ON BUSINESS**

BACKGROUND

1. The Office seeks to reduce the undue burden of provincial and regional regulation on business, including its negative impact on economic growth, by addressing unnecessary complexity, overlap, and over-reach in regulation and improving customer service offered in support of regulatory programs.
2. The Office has a small complement of professionals knowledgeable in best practices in regulation, the economic impact of regulation, the costs of regulation and how to measure them, how to effect practical change in the culture and practice of regulation, and the relationship between the quality of customer service and regulatory burden.
3. The Municipality is strongly committed to reducing the undue burden of its regulations on business.
4. The Office and the Municipality recognize that many businesses operating in the Municipality are subject to both provincial and municipal regulation. They further recognize that bringing the two levels of government into one joint approach to reducing regulatory burden will be more effective in reaching affected businesses in a seamless manner and will also help avoid duplication of effort and cost.

5. The Office and the Municipality agree that any well-informed, sustainable program to reduce the burden of regulation on business must include meaningful consultation, collaboration and partnership with the business community. Among the purposes these relationships are ensuring that issues of greatest impact from the perspective of business are addressed early, and that there is a full understanding of the impact on business of regulatory change (unintended consequences are minimized).

The Office and the Municipality have therefore agreed:

TERMS OF AGREEMENT

1. The Parties agree to collaborate, on a trial basis in accordance with this agreement, in a joint initiative to reduce the burden of municipal regulation on businesses carrying on business in the Municipality (the "Joint Project").
2. This agreement and the Joint Project have a term of not less than six (6) months beginning on November 1, 2016 which may be extended at the sole discretion of the Office for a further six (6) months and ending in any event on October 31, 2017.
3. The parties agree that the objectives of the Joint Project ("Objectives") are those set out in Appendix A.
4. The success of the Joint Project, and whether it will be continued in some form beyond the term of this agreement, will be evaluated by the parties based on 1) the views of the Office and the Municipality as to the quality and effectiveness of the collaboration and the achievement of the Objectives; and 2) the results of a consultation of business stakeholders conducted by the Office as to the value and effectiveness of the joint approach, and the achievement of the Objectives, after ten months of the Joint Project have elapsed.
5. Guidance and oversight for the Joint Project will be provided by an Advisory Panel (the "Advisory Panel"), established by the Office and the Municipality for the term of the Joint Project, and comprised of the following members (to which others may be added on the joint nomination of the Municipality and the Office):

Jordi Morgan, Canadian Federation of Independent Business, Chair of Panel
Representative, Urban Development Institute
Luc Erjavec, Canadian Restaurants Association
Ron Hanlon, Greater Halifax Partnership
Jacques Dube, Chief Administrative Officer, Municipality of Halifax
Joan Penney, Executive Director, NS Office of Regulatory Affairs
Patrick Sullivan, Halifax Chamber of Commerce
Leanne Hachey, Executive Director, NS Office of Regulatory Affairs
[Representative of local business associations]

The staff appointee referred to in article 8 below will act as Secretary to the Panel.

6. The Office will support the Joint Project by lending it management and leadership support, as well as the support of its specialized knowledge and research in regulatory best practice and trends, benchmarking, economic analysis of regulatory burden, customer service delivery in a compliance environment, measuring the cost of regulation, consultation with stakeholder networks, and ongoing quantitative research into business experiences and perceptions of government service and regulation. The Office will advance, within the provincial government, information on barriers to reduction of the municipal regulatory burden related to provincial legislation or regulation as requested by Council.
7. The Municipality will support the Joint Project by ensuring that it has and will continue to have high management priority at the Municipality, that it has dedicated staff support required to inform and implement the Joint Project and agreed initiatives in a timely way, and that the staff persons referred to in article 8 below will have the full support at the Municipality as required to move joint tasks and activities along promptly.
8. The Municipality agrees to commit a staff resource to the Joint Project. To effect this commitment the Office will, effective November 1, 2016, hire on a term basis a staff person who will be dedicated to leading and carrying out the work of the Joint Project with the support of the Office and the Municipality, as described above. This person will be a term employee of the Office and will work from and under the supervision of the Office and will liaise closely with the Municipality. The person to be hired, and any successor, will be jointly agreed upon by the Office and the Municipality prior to hiring. In addition the Municipality will identify an internal staff resource person to implement the Joint Project.
9. The relationship of the Office and its staff with the Municipality is exclusively with and through the Chief Administrative Officer of the Municipality, who shall also do all reporting to the Council and other Municipality bodies and officials.
10. The Municipality will reimburse the Office on a quarterly basis for the annual salary, benefit and other costs incurred by the Office associated with employing and supporting the staff person referred to in article 8 and other costs incurred by the Office in connection with the Joint Project. The annual costs are estimated to be those set out in Appendix B and will be paid on a quarterly basis as billed by the Office.

DATED October 31, 2016.

M

Original Signed

w w w

The Province of Nova Scotia

*FP CROOKS
CHIEF REGULATORY OFFICER
PROVINCE OF NS
October 31, 2016*

Original Signed

Halifax Regional Municipality

APPENDIX A

The following are the objectives of the Trial:

1. Development and adoption by the Municipality of guiding principles of regulation based on the Charter of Principles which has been adopted by the Premiers of the Maritime Provinces, adapted for application to local government.
2. In consultation with stakeholders and the Advisory Panel, the identification by March 31, 2017, of at least three areas of priority for change in municipal regulation to reduce regulatory burden, together with a plan for addressing each area, with a view to full implementation prior to the end of the Joint Project.
3. Trial and adoption by the Municipality of a customer service strategy for business that includes elements of the business service plan developed for Nova Scotia by the Office.

APPENDIX B

HRM/RSE Partnership Budget

Salaries and Benefits (Executive Director)	\$145,000
Miscellaneous Expenses (meetings, telecommunications, stakeholder support)	<u>15,000</u>
	\$160,000

