

Business Satisfaction and Red Tape Reduction Survey Report

Halifax Regional Municipality

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HALIFAX

Table of Contents

- Purpose..... 3**
- Methodology 3**
 - Survey Design..... 3
- Executive Summary 4**
- Overview of Results 6**
 - Part One- Respondent Profile.....6
 - Part Two- Service Delivery Satisfaction 12
 - Part Three-Communications and Business Engagement..... 14
 - Part Four-Quality of Customer Service 16
 - Part Five-Reducing Red Tape 18
- Recommendations 23**
- Appendix..... 24**

PURPOSE

The goal of this inaugural Business Satisfaction and Red Tape Reduction Survey was to provide the Halifax Regional Municipality (HRM) with information on how regulatory “red tape” (administrative or compliance obligations that do not add public service value and burden business and HRM with unintended costs) is impacting HRM’s business customers, and to use that data to help guide service improvements. Results reported here are from a survey conducted from May 10th to July 8th, 2021.

Overall, 113 businesses operating in HRM responded to this survey.

The overall goal of this survey is:

To Explore

To Learn

To Share

The survey objectives can be specified as follows:

- To consult with businesses on their experience(s) complying with and/or understanding HRM regulation
- To establish a baseline of data for future reference to guide continuous measurement
- To collect data to help inform specific service improvements, and
- To help formulate recommendations on what corporate Regulatory Modernization initiatives may be required

METHODOLOGY

Survey Design

The survey was designed in consultation with a group of HRM staff including Corporate Communications, Planning & Development, Transportation & Public Works, Fire Prevention, Legal Services, and Government Relations and External Affairs. Similar surveys conducted by other Municipalities across Canada were also considered.

Seventeen questions were designed to measure business satisfaction in areas like HRM’s regulatory approval processes and compliance obligations, quality of communication and customer service, and the level of red tape they experienced in specific areas of regulation. The study was conducted via an open link online survey (publicized on Halifax.ca/surveys and in a news release titled “Local business owners still have some time to give feedback on regulatory

red tape” that contained a link to the survey. The survey was also distributed by social media through HRM’s business representatives on the Joint Project for Regulatory Modernization Advisory Panel. The intent is to do the same (or similar) survey with businesses at regular intervals.

EXECUTIVE SUMMARY

Through the Business Satisfaction and Red Tape Reduction Survey, respondents had the opportunity to give input into the following areas:

- Overall impressions of HRM’s quality of customer service specific to regulation, and areas for potential improvement
- Quality of regulatory engagement and access to information
- The level of red tape experienced in dealing with specific permit and license approvals
- The level of red tape related specifically to inspections
- The most time-consuming obstacles in complying with HRM regulations

As this is the first Business Satisfaction and Red Tape Reduction survey, there are no previous comparatives by which to determine whether the data indicates a worsening of impact, or a marked improvement in HRM’s regulatory environment. However, respondents were asked to consider the past 3 years of interaction with HRM regulation when registering their answers so that the results could be analyzed against a more specific timeframe.

Overall, the results and feedback from the survey reveal a low to moderate positive attitude among businesses in terms of HRM’s regulatory environment and regulatory modernization efforts. Key findings include:

Overall Impressions of HRM’s Quality of Customer Service

Over two-thirds (70%) of respondents said that HRM’s regulatory environment requires improvement to reduce red-tape. Particularly, they indicated the following would improve the quality of customer service:

- Shorter timelines for decision making by HRM staff and Regional Council,
- Providing regulations written in plain language and easy to understand,
- More streamlined, simplified administrative processes, and
- Better communication of new regulations

Quality of HRM's Regulatory Engagement and Access to Information

Overall, respondents were moderately satisfied with the quality of HRM's communications and consultation relating to regulation. Nearly half (50%) of respondents disagreed that HRM had good communication to help them understand the requirements needed for different types of applications. Over 70% indicated that HRM should have better engagement with businesses when considering or adopting new regulations. Moreover, businesses want better/easier access to administrative process information, and they believe HRM needs to improve its web-based/online services to reduce the time businesses spend meeting regulatory requirements.

The Level of Red Tape

The top 3 issues for businesses in meeting HRM's regulatory requirements were:

- The time it takes for HRM to process the application (52%)
- Understanding who to contact for support during the process (41%)
- Understanding the application requirements (30%)

When it comes to the level of red tape businesses experienced in dealing with permit approvals, nearly 40% of respondents said they experienced a high amount of red tape for Building Permit approvals. Occupancy, Grade Alteration, and Permanent Sign approvals were also ranked with a high level of red tape.

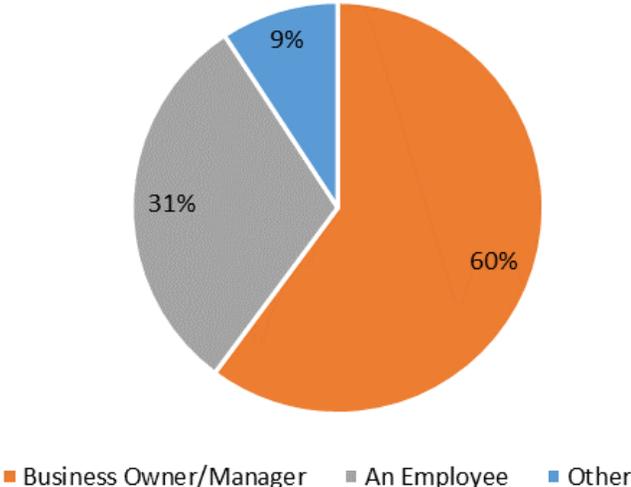
OVERVIEW OF RESULTS

PART ONE- RESPONDENT PROFILE

Respondents were asked to answer a few demographic questions which allows for a better understanding of certain background characteristics of HRM’s business customers.

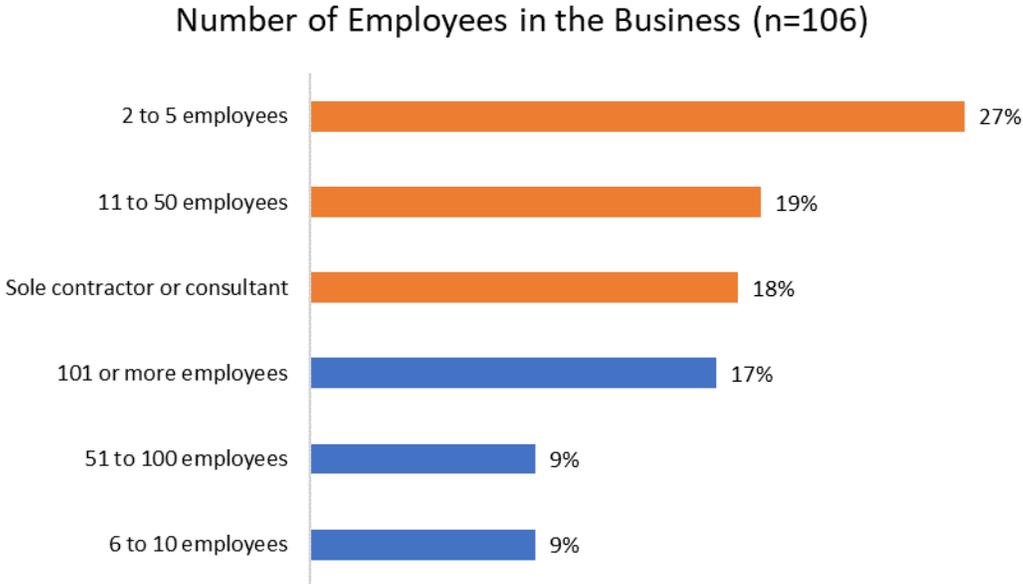
Q1- Select the response which best describes your role in your company?

Respondent Role in the Business (n=108)



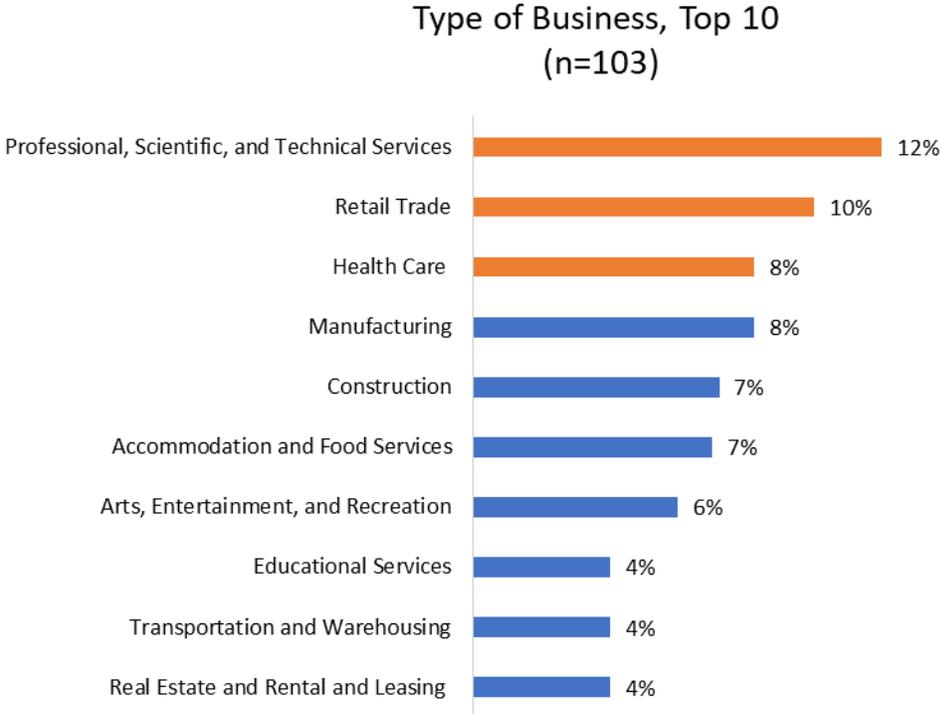
As shown in the graph, 60% of the survey respondents identified themselves as Business Owner/Manager and 31% of the respondents who took the survey were employees.

Q2- How many individuals are employed by your company?



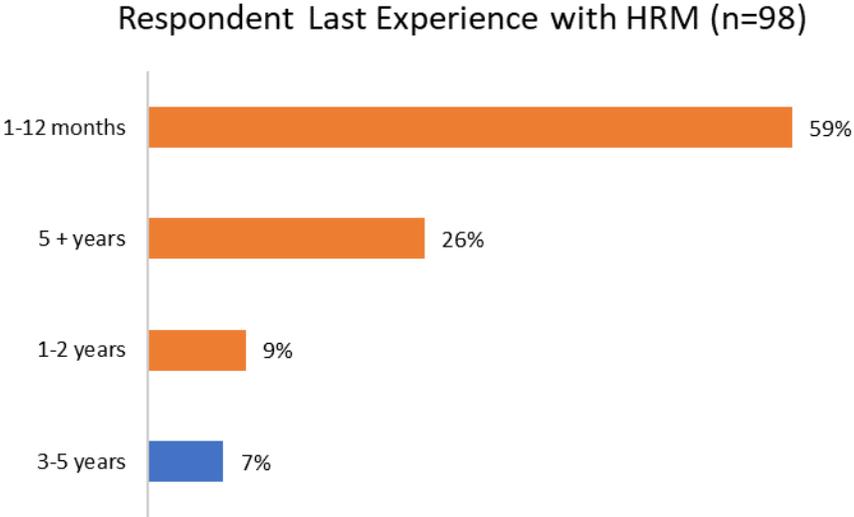
Among those who responded to the above question (the number of employees in the business), almost one-fourth (27%) reported 2-5 employees which can be identified as Micro Business (A micro business is a type of small business that operates on a very small scale, usually fewer than 5 employees). Almost 28% identified as Small Business (6-10 and 11-50 employees).

Q3- Select the category that best describes your business?



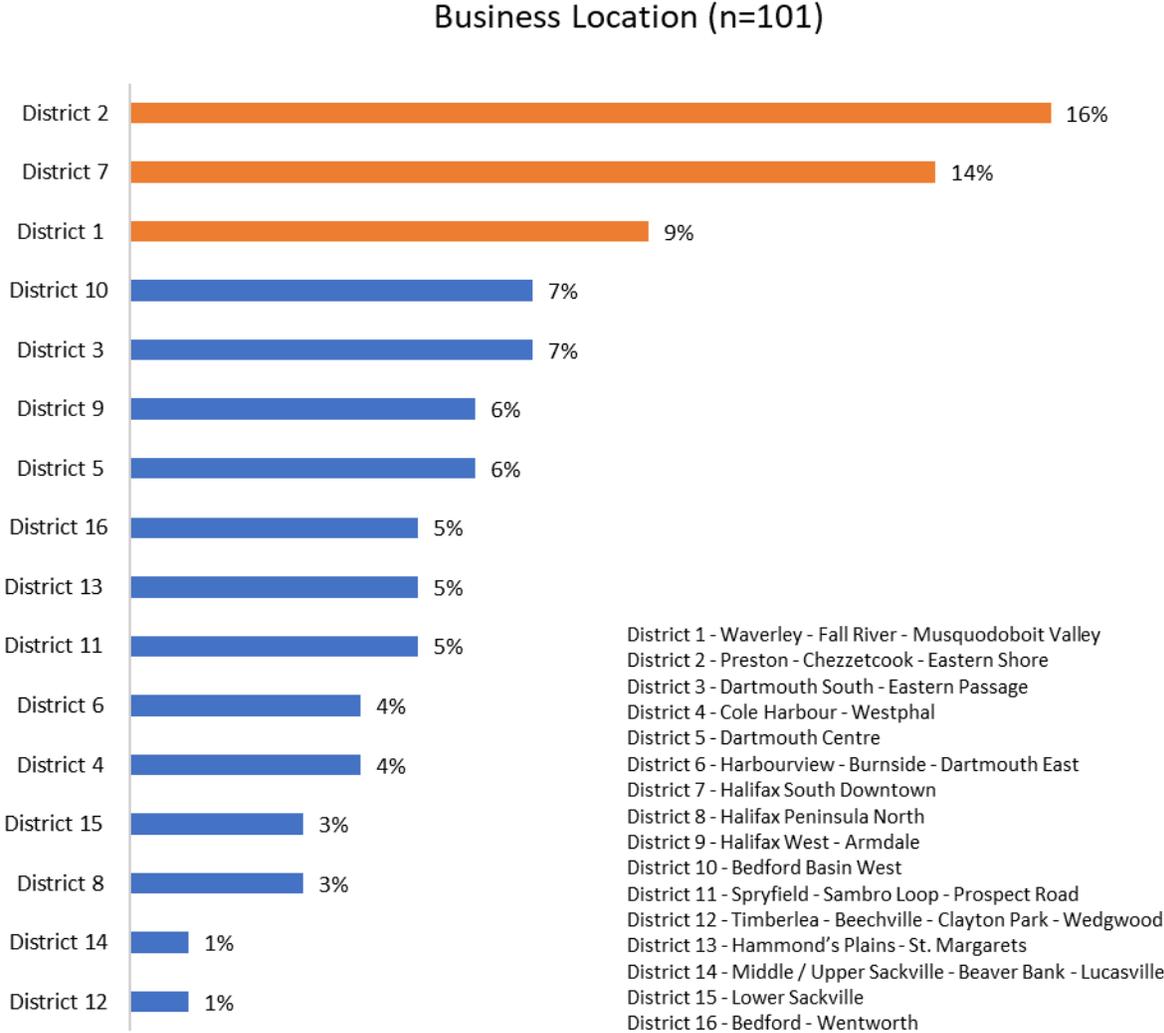
This graph shows the top 10 responses received from the different business sectors that participated in the survey. The largest number of responses came from the Professional, Scientific, and Technical services sector (12%) followed by Retail Trade (10%) as well as both, Health Care and Manufacturing (8%).

Q6- When did you last interact with HRM on a regulatory matter?



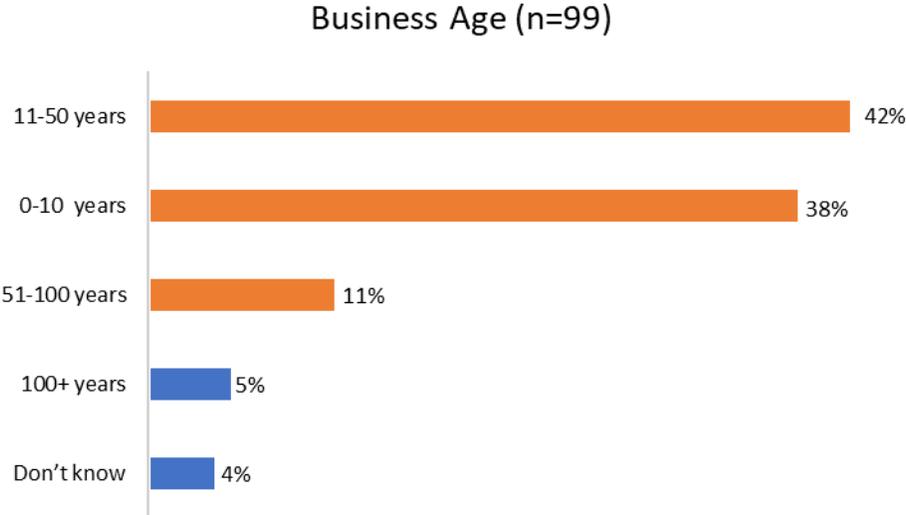
Respondents were asked when they had interacted with HRM on a regulatory matter. More than half (59%) responded that they did interact within the past 12 months and 68% interacted within the past 2 years.

Q7- In what HRM Municipal District is your business located? If you're not sure which District your business is located, you can find out by visiting the Municipality's website at: <https://www.halifax.ca/city-hall/districts-councillors/district-look> and inputting your address.



As illustrated in the above graph, 30% of the respondents who took the survey were either located in district 2 or district 7.

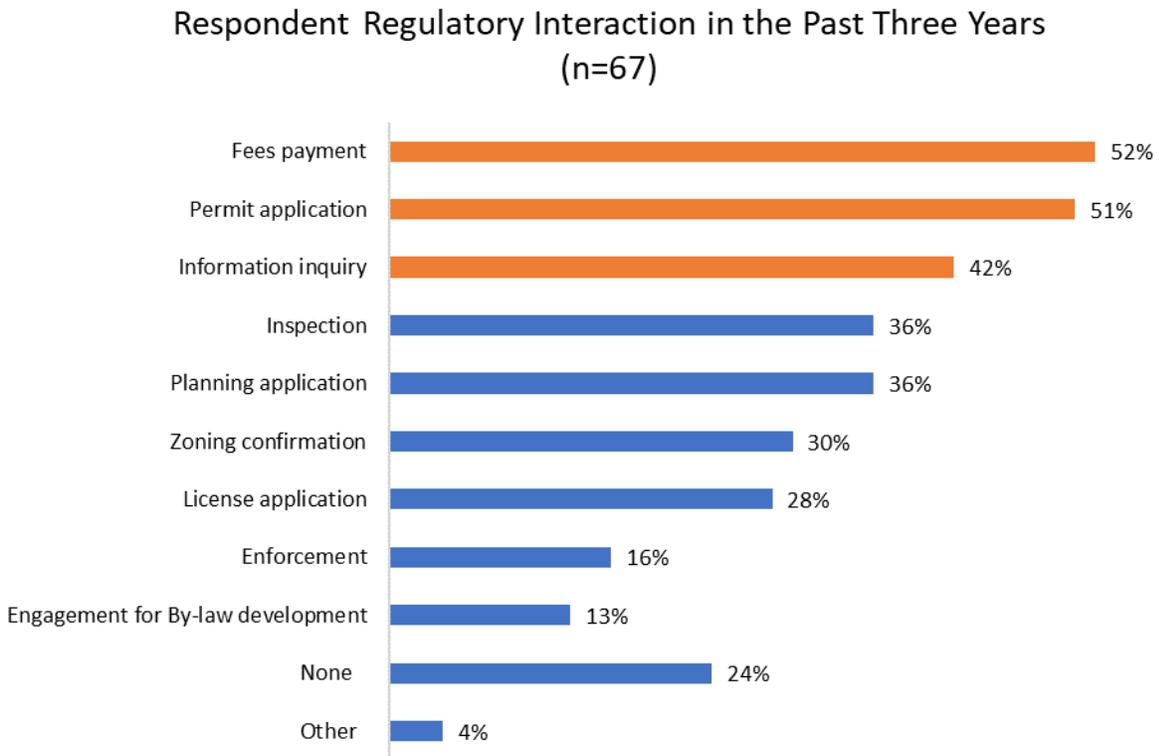
Q8- What is the age of your business?



Majority of respondent (80%) said their business age was either 0-10 years or 11-50 years.

PART TWO - SERVICE DELIVERY SATISFACTION

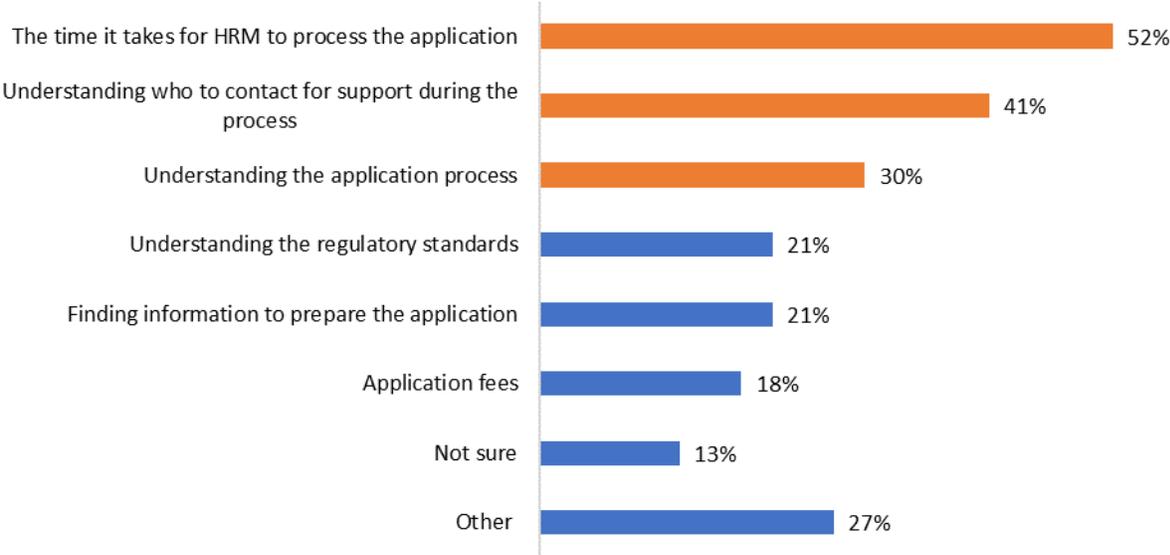
Q9- Which HRM services have you interacted with for your business in the past three years that relate to municipal regulation (Please select all that apply)?



When respondents were asked to rate the HRM services they had interacted with in the past three years, nearly half (52%) of respondent said they most interacted with HRM for fees payment, followed by permit application (51%) as well as information inquiry (42%).

Q10- The biggest issues for my business in meeting HRM's regulatory requirements are (check your top 3)?

Business Biggest Issues Meeting Regulatory Requirements (n=71)

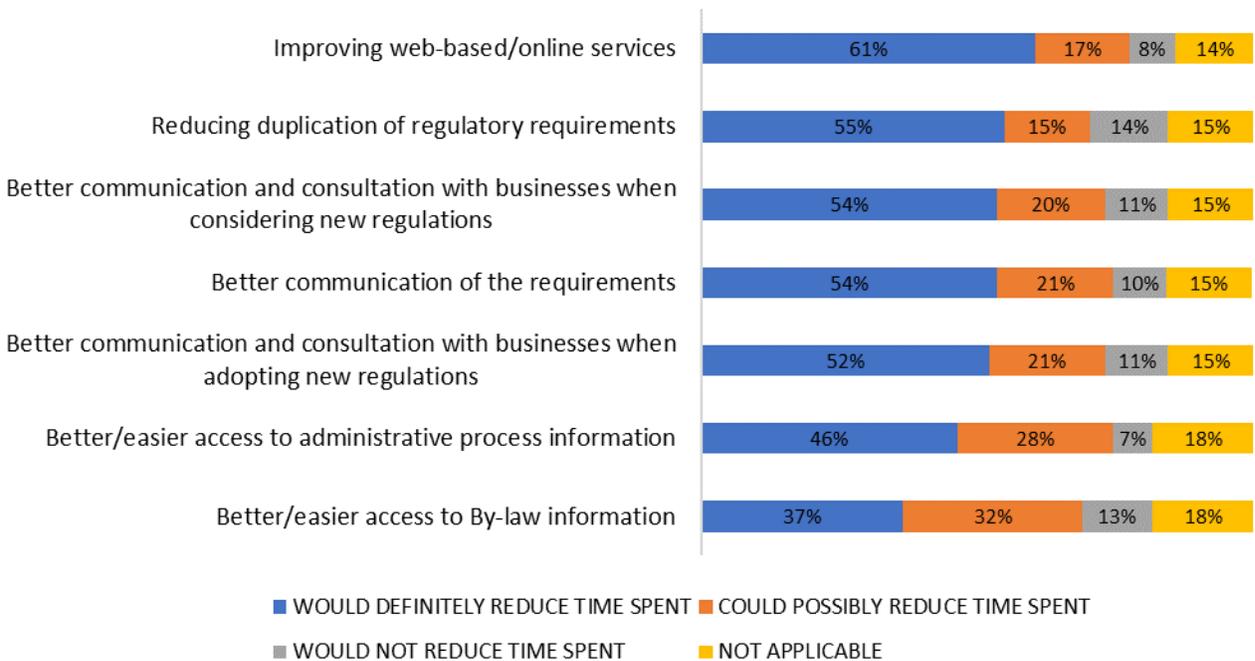


The biggest issues respondents encountered in meeting HRM’s regulatory requirements were the time it takes for HRM to process the application (52%), understanding who to contact for support during the process (41%), and understanding the application process (30%). All of these areas are related to customer service.

PART THREE- COMMUNICATIONS AND BUSINESS ENGAGEMENT

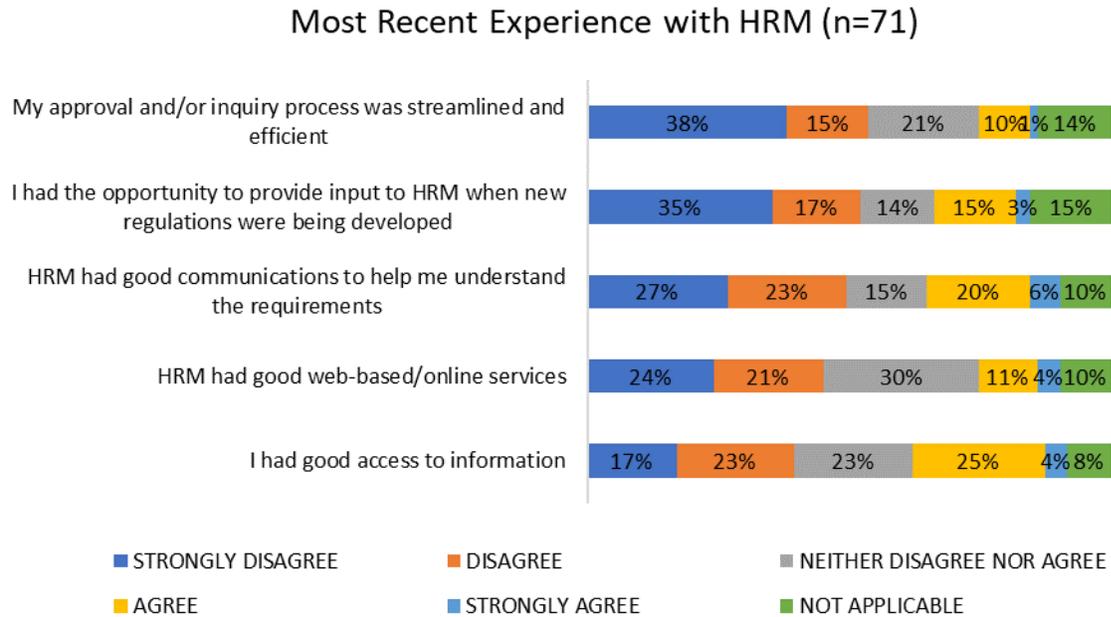
Q11- To what extent do you think the following would reduce the time your business spends meeting HRM's regulatory requirements?

Reduce the Time Business Spends Meeting Regulatory Requirements
(n=71)



When respondents were asked to rate the items that would reduce the time their business spends meeting HRM's regulatory requirements, over 70% said improving web-based/online services, better communication of the requirements, better communication and consultation with business when considering/adopting new regulations, and better/easier access to administrative process information would definitely or could possibly reduce time spent.

Q12- Please rate each of the following statements based on your most recent experience with HRM?



Based on their most recent experience with HRM, respondents were asked to provide feedback regarding various aspects of service delivery.

Looking at the illustration, respondents were moderately satisfied as they said they had good access to information (29% Strongly agree or agree; 23% neither disagree nor agree) and HRM had good web-based/online services (15% Strongly agree and agree; 30% neither disagree nor agree). 38% of respondents said they “strongly disagree” that their approval/or inquiry process was streamlined and efficient.

PART FOUR- QUALITY OF CUSTOMER SERVICE

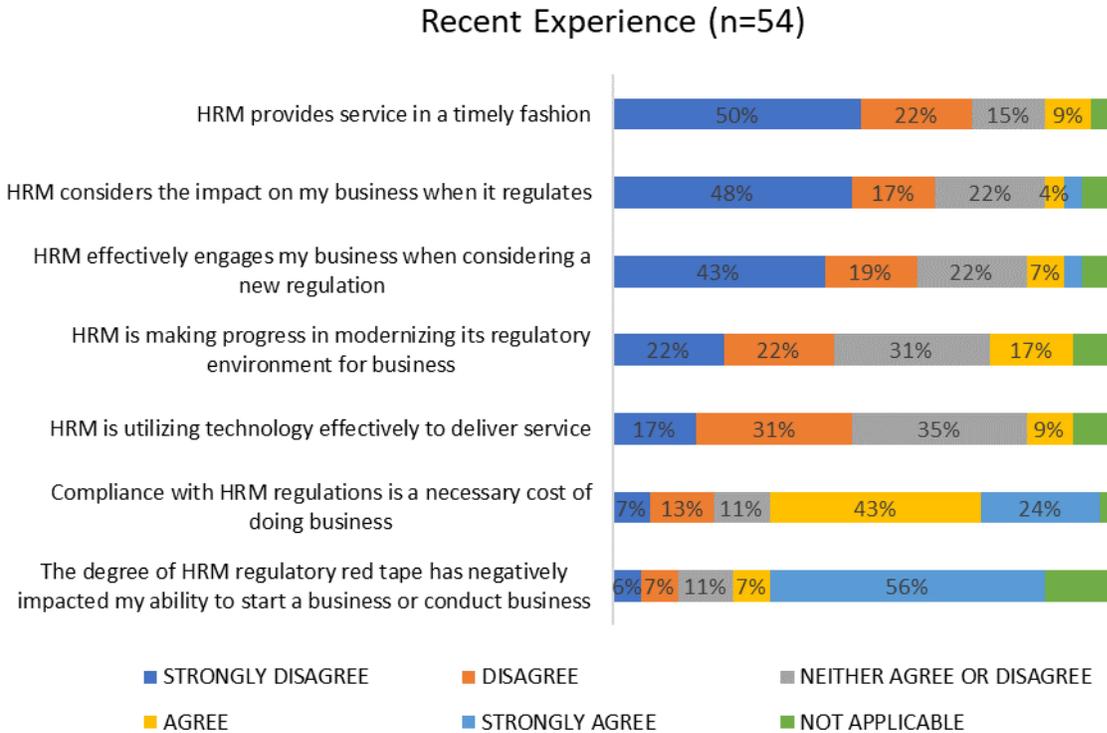
Q13- Based on your most recent experience with HRM, to what extent do you think the following would improve the quality of HRM's customer service?

Business Rates it Improves the Quality of HRM's Customer Service (n=54)



Based on businesses most recent experience with HRM, the top 3 rated statements by respondents that “very likely” and “likely” would improve the quality of customer service were quicker timelines for decision making by HRM and regional council at 86%, better communication of new regulations at 76%, and regulations written in plain language and easy to understand at 75%.

Q14- To what extent do you agree with the following statements?



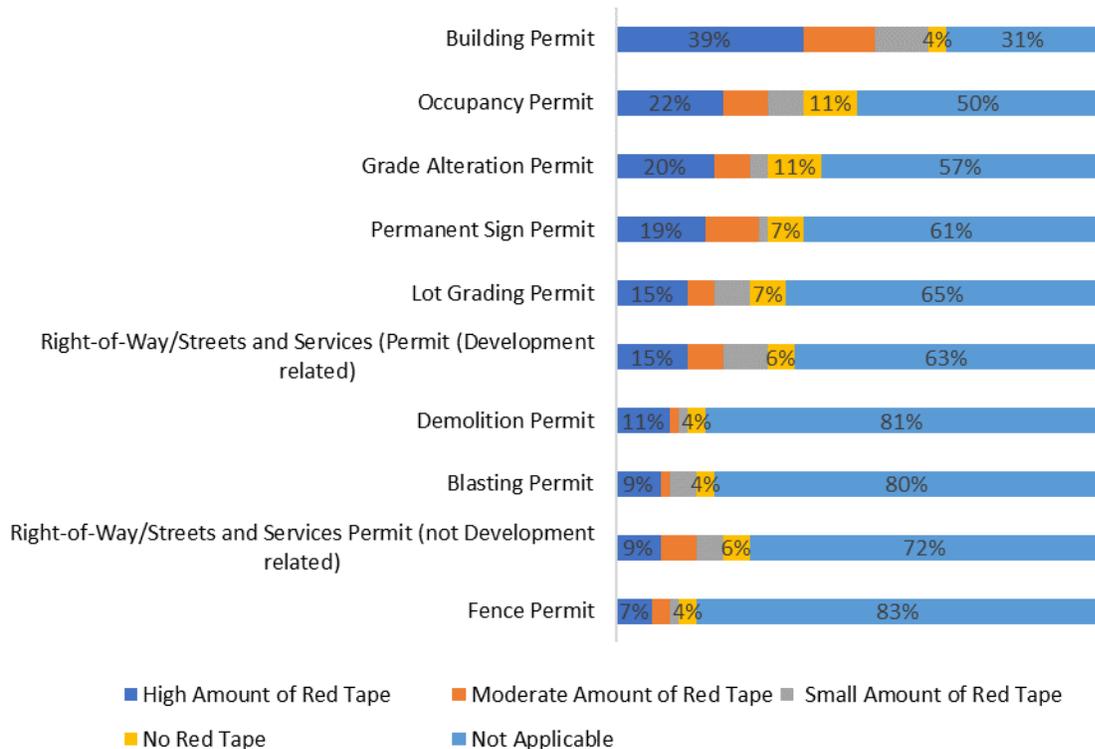
Respondents were asked to rate their level of agreement with various statements. The largest disagreement was for statements: “HRM provides service in a timely fashion” at 72% and “HRM considers the impact on my business when it regulates” at 65%.

PART FIVE- REDUCING RED TAPE

Respondents were asked to provide feedback on the level of red tape they had experienced in dealing with a variety of HRM permit, license, and inspection approvals.

Q15 A- Based on your most recent experience with HRM, what is the level of red tape your business has experienced in dealing with the following areas?

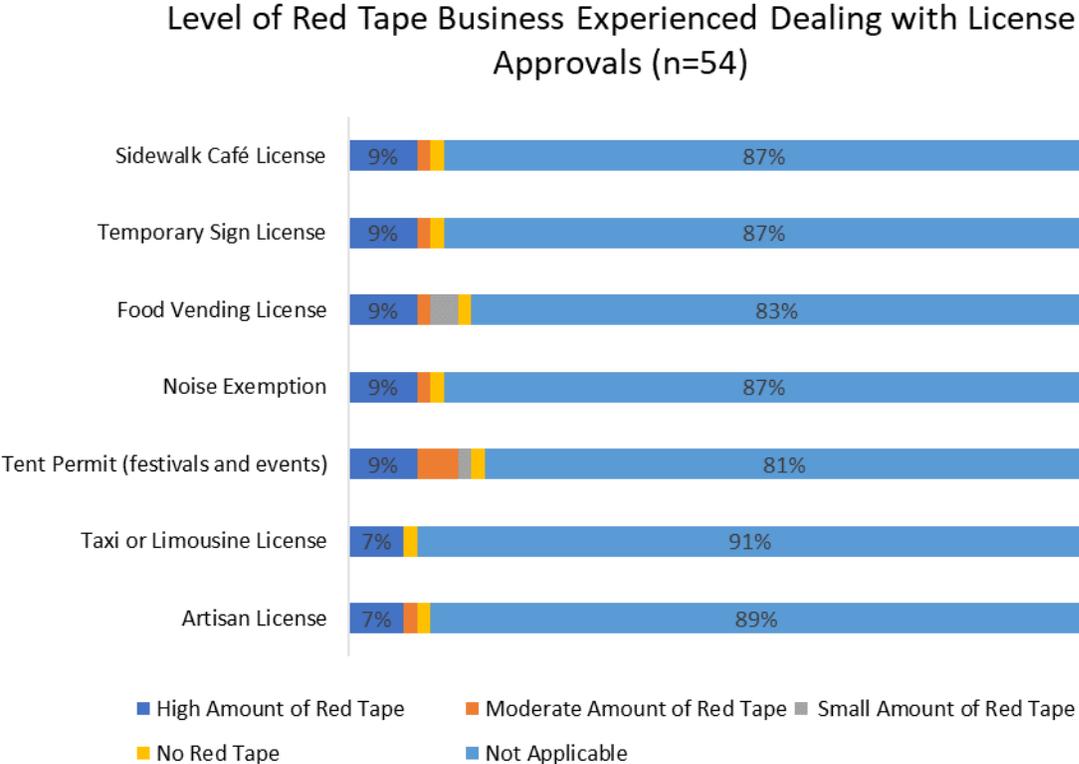
Level of Red Tape Business Experienced Dealing with Permit Approvals (n=54)



Respondents were asked to rate the amount of red tape they had experienced with different areas of permit approvals. Most of the respondents skipped this question, so, the survey completion rate dropped to 48% (out of 113 who took the survey, 54 finished the survey once they'd started it). This might be due to the specific permit/license questions (Questions 15A, 15B, and 16) as these were detailed technical questions and most of the businesses did not experience dealing with most of the service areas addressed in these questions.

Only 54 respondents answered this question and out of those, the majority said it is not applicable to them. The highest amount of red tape was recorded for building permit (39%), Occupancy permit (22%), and Grade alteration permit (20%).

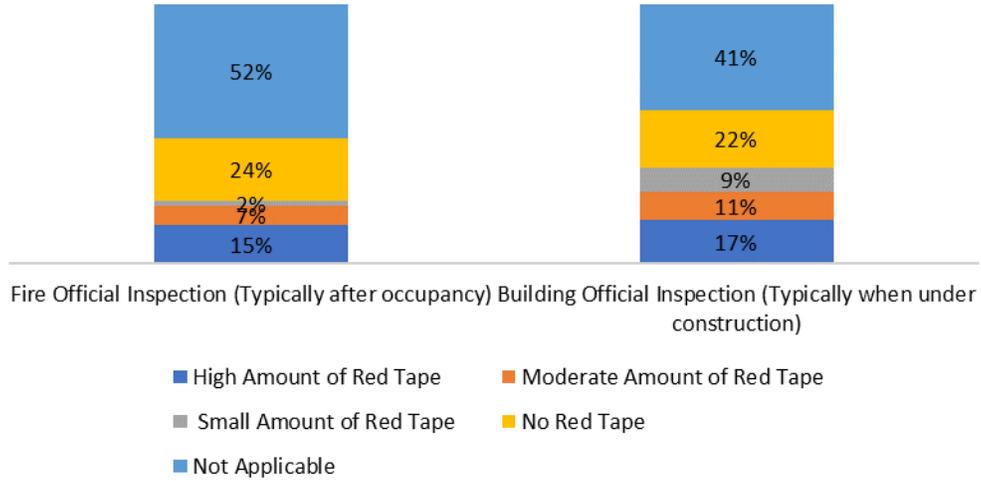
Q15 B- Based on your most recent experience with HRM, what is the level of red tape your business has experienced in dealing with the following areas?



When looking at the amount of red tape respondents experienced in dealing with different license approvals, the majority indicated license approvals had not been applicable to them. Across those who responded, only 9% said they had experienced a high amount of red tape for sidewalk café license, Temporary sign License, and food vending license.

Q16- Based on your most recent experience with HRM, what is the level of red tape your business has experienced in dealing with the following areas?

Level of Red Tape Business Experienced Dealing with Inspections (n=54)



Respondents were asked to rate the amount of red tape they had experienced in dealing with inspection approvals. The majority said these are not applicable to them.

Q17- Is there any other information you would like to provide that could help HRM improve the quality of the municipality's regulation and service to business?

25 respondents answered this question. Most of the answers were in the following areas:

- Streamlining the approval process
- Automation of permit renewal and application and the need for a user-friendly online application system
- Permit application process time
- Clear and consistent language/requirements in development and construction

Recommendations

As this is HRM's first Business Satisfaction and Red Tape Reduction Survey, it would be useful to apply learnings from this first survey, along with key influencing factors, as an indication of any adjustments needed to the survey design or process. This could establish better quality data and better response rates for future survey(s).

The following are recommendations to improve future survey quality:

- 1- Use a variety of survey delivery methods including in-person interview, mail-in survey, survey by invitation email, and online survey.
- 2- Design a shorter survey, recognizing that there is a direct correlation between the survey length, or duration, and completion rate.
- 3- Conduct the survey every 18-24 months, to set a baseline and performance target to consistently monitor red-tape and customer satisfaction levels.
- 4- Use the survey results to identify key theme areas for where regulatory improvements may be needed and follow-up from the results with more targeted consultation on those areas using focus groups, interviews, and other methods to collect finer-grained data.

APPENDIX 1

Last business interaction with HRM on a regulatory matter	Most interacted Districts with HRM (Top 2)
1-12 months	District 2 District 1
1-2 years	District 7 District 10
3-5 years	District 2 District 7
5+ years	District 2 District 5

District 1 - Waverley - Fall River - Musquodoboit Valley

District 2 - Preston - Chezzetcook - Eastern Shore

District 5 - Dartmouth Centre

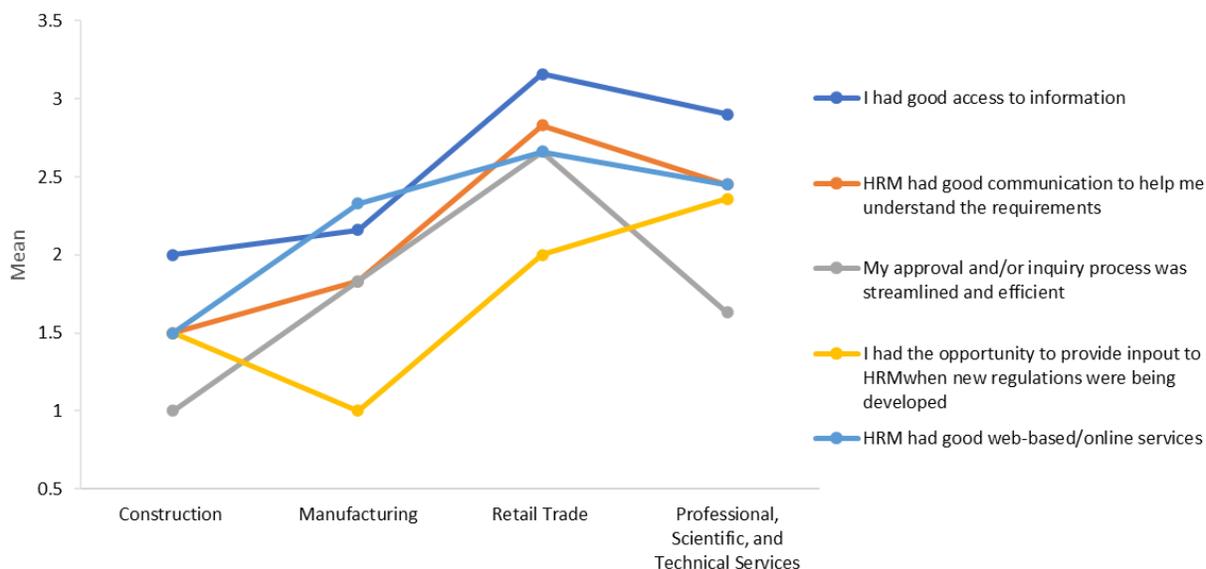
District 7 - Halifax South Downtown

The table above shows that businesses located in districts 2 and 1 had the most interaction with HRM in the past 12 months.

How many individuals are employed by your company?	The biggest issues for business in meeting HRM's regulatory Requirements (Top 3)
Sole contractor or consultant	<ol style="list-style-type: none"> 1. Understanding the application process 2. Understanding who to contact for support during the process 3. The time it takes for HRM to process the application
2-5 employees (Micro-business)	<ol style="list-style-type: none"> 1. The time it takes for HRM to process the application 2. Understanding who to contact for support during the process 3. Understanding the application process
6-10 employees	<ol style="list-style-type: none"> 1. The time it takes for HRM to process the application 2. Application Fees 3. Understanding who to contact for support during the process
11-50 employees	<ol style="list-style-type: none"> 1. The time it takes for HRM to process the application 2. Understanding the regulatory standards 3. Understanding who to contact for support during the process
51-100 employees	<ol style="list-style-type: none"> 1. The time it takes for HRM to process the application 2. Understanding who to contact for support during the process 3. Understanding the application process
101+ employees	<ol style="list-style-type: none"> 1. Understanding the application process 2. The time it takes for HRM to process the application 3. Understanding who to contact for support during the process

As shown in the above table, regardless of the number of individuals employed by the business, “The time it takes for HRM to process the application” and “Understanding who to contact for support during the process” were two of the main issues for business in meeting HRM's regulatory Requirements. When the business runs by a sole contractor or consultant or for micro business “Understanding the application process” is also one of the main issues while when the number of employees went up, “application fees” and “understanding the regulatory standards” were reported by business as their main issues.

The relation between business category and their level of satisfaction for some regulatory services



In question 12 of the survey respondents were asked to rate the following statements based on their most recent experience with HRM:

- I had good access to information
- HRM had good communications to help me understand the requirements
- My approval and/or inquiry process was streamlined and efficient
- I had the opportunity to provide input to HRM when new regulations were being developed
- HRM had good web-based/online services

Further analysis had been done to have a better understanding of which business category (among the four selected categories) were more satisfied with certain types of HRM's regulatory service. As illustrated in the graph, for statements like "I had good access to information", "HRM had good communications to help me understand the requirements", "My approval and/or inquiry process was streamlined and efficient", and "HRM had good web-based/online services", respondents from construction rated these statements the least (least satisfaction) and Retail Trade rated the highest. For the statement "I had the opportunity to provide input to HRM when new regulations were being developed", Manufacturing had the least satisfaction and Professional, Scientific, and Technical Services had the highest satisfaction.

Valid	Business Category who answered questions related to permit, license, and inspections approvals	Frequency	Percent	Valid Percent
	Agriculture, Fishing, and Hunting	2	3.7	3.9
	Mining, Oil and Gas Extraction	3	5.6	5.9
	Construction	2	3.7	3.9
	Developer / Development	3	5.6	5.9
	Manufacturing	6	11.1	11.8
	Retail Trade	4	7.4	7.8
	Transportation and Warehousing	1	1.9	2
	Finance and Insurance	1	1.9	2
	Real Estate and Rental and Leasing	2	3.7	3.9
	Professional, Scientific, and Technical Services	11	20.4	21.6
	Educational Services	1	1.9	2
	Health Care	1	1.9	2
	Arts, Entertainment, and Recreation	5	9.3	9.8
	Accommodation and Food Services	3	5.6	5.9
	Public Administration	1	1.9	2
	Other	5	9.3	9.8
	Total	51	94.4	100.0
Missing	System	3	5.6	
	Total	54	100.0	

Out of 113, only 54 respondents answered all survey questions. The above table shows the number of each business category who completed the survey.

Business Category who answered there is an amount of red tape related to some of the permit and license approvals	Building Permit
Professional, Scientific, and Technical Services	6
Manufacturing	6
Developer / Development	3
Mining and Oil and Gas Extraction	3
Construction	2
Retail Trade	2
Real Estate and Rental and Leasing	2

The above table shows selected business categories who answered there is some level (High, moderate, and small amount) of red tape for Building Permit approvals. Manufacturing and Professional, Scientific, and Technical Services were the top categories that reported there is some amount of red tape regarding building permit approvals.