

**MUNICIPAL RED TAPE
2012 Progress Report**

**Greater Sudbury Chamber of Commerce
April 2012**



Greater Sudbury
**Chamber of
Commerce**



**Chambre de
commerce**
du Grand Sudbury

Background

In the spring of 2010, the Greater Sudbury Chamber of Commerce (GSCC) distributed a survey to identify what issues were most important to its business members. One of the top issues to come out of that exercise was the perception of unnecessary bureaucracy (red tape) at city hall.

A Red Tape Task Force was established to drill down and identify specific areas of concern; interviews with businesses and direct surveys were completed and results were collected. The end result was a report that identified twenty-two issues and processes that businesses felt needed to be addressed.

In September 2010 the GSCC presented the findings of the Red Tape Report to council. The report was received warmly and council requested that senior department staff begin to work immediately with the chamber to develop solutions for each point.

As a result of those discussions with city staff, the twenty-two points have been reviewed and timelines and objectives have been set where applicable. Some items have already been incorporated or are in the midst of being unveiled. In any case, this report serves as an update on the progress made to lessen the municipal regulatory burden identified by the twenty-two points in the previous report.

The GSCC would like to thank the city staff who participated in our task force meetings and who were available to answer all our questions. Their professionalism and desire to achieve solutions to these points was evident and we are grateful for their assistance.

- Bill Lautenbach, GM, Growth and Development
- Robert Webb, Supervisor of Development Engineering
- Eric Taylor, Senior Planner (replacing Art Potvin)
- Guido Mazza, Director of Building Services
- Art Potvin, Manager of Development Services
- Paul Baskcomb, Director of Planning Services
- Darlene Barker, Manager of Bylaw Enforcement

We further acknowledge that as a result of these discussions with city staff, there were instances where certain points raised in the initial red tape report were rendered fulfilled.

As the leading business organization in Greater Sudbury representing 1,050 business members and 47,000 employees, we want to thank these individuals for their dedication to improving the community for businesses.

At Issue

With 98 percent of all employer businesses in Canada classified as small business and nearly 49 percent of the total national workforce employed by them, it is clear that small businesses are an essential economic contributor to our nation's well being.

And yet, small businesses face constraints – both human and financial - to comply with regulatory frameworks imposed by all levels of government. Small businesses have long argued that undue compliance costs have imposed a “hidden tax” on business.

This report provides a review of those discussions with city staff on each issue. Where warranted, the remaining gaps and associated timelines are identified.

1. Customer Service Orientation

As any business knows, customer service is the greatest key to success. The same goes for the city. If the city is failing to provide an acceptable level of customer service, it risks creating a momentum of negative feelings and distrust among citizens and businesses.

In our initial report, many respondents reported that they often felt that city staff treated them with contempt and were weary of their presence and frustrated with their lack of knowledge.

It is imperative that the city take steps to implement a customer service standard for all frontline employees in order to ensure that the city begin to treat taxpayers as customers.

During discussions with staff, it was agreed that there was a need for a new orientation process for preparing new staff for their respective roles. This could and should entail training that is specific to departments and a better overall understanding of how customer service can influence the amount of trust and respect stakeholders are willing to place in their public institutions.

This was a significant issue to the membership and crosses all areas of the report.

Priority level?

High

Who is responsible?

- City management and staff
- Customer and client
- Planning Services
- Engineering
- Building Permits
- Building Inspections

Actions Required?

Customer service training for counter staff

Customer service training for Management personnel

Establish customer service standards for counter service which is written /published, i.e., competencies against which to measure staff performances

Surveys for customers

Timeline

2012 year (RFP for assessment framework has been issued).

Commentary / Status

- Chamber is now a member of Developers Liaison Advisory Committee (DLAC). We meet every other month and are free to raise issues pertaining to development.
- City has announced that they will create a talent management system to assess, manage and develop talent among its "key" staff. The goal of the system will be to measure the technical and behavioural performance of staff and to get staff and management involved in career development and succession planning inside the city. The Director of Human Resources and Organizational Development informed the chamber that they will seek outside assistance in order to design a talent management framework.

2. Expediter within Building Controls

A majority of the concerns came from smaller business members, particularly from one-off applicants who do not have the ability or financial resources to decipher various application processes required by the city.

The chamber recommends that city staff simplify all processes by using examples for each size and type of permit and by putting in place a system to track applications as they move through the various department approvals.

In addition, we believe:

- That the presence of a trained staff member at the counter will assist in alleviating frustrations and confusion;
- Holding application information sessions twice a year;
- Provide more in-depth training of all Building Controls staff including the frontline, clerical staff;
- Aim for on-line application for all permits within 12-24 months;
- Maintain the assigned processor for the contractors and consider exclusive time slot for them to come in with applications so there is no wait. This will be redundant once the applications are done on line.

Most importantly, establish an “expediter” position within the building controls department that is responsible for one-on-one assistance and remains a single point of contact for builders, contractors and ratepayers. This person would assist the applicant through the permit process, would know the status of the applications through the various approvals, and would communicate and advocate on behalf of the applicant where necessary.

A ‘Greater Sudbury Business Registry’ could offer the business community an electronic service window to handle many of their licence, registration, and building permits. Respondents indicated that an expeditor – a contact who would work with the business applicant from the earliest stages of an application to the final inspection process – would be a valuable investment. This role would ensure a consistent line of communication and allow for personal linkages between businesses and the city.

Priority level?

High

Who is responsible?

Permit Service Clerks
IT internal or external IT consultants

Commentary / Status?

- A focus on building permits for one –time builders
- Tighter penalties for repeated building inspections
- Need to have transparency through digital program accessible to applicant
- Better communications
- Additional frontline staff to offset vacation / sick day absences

Timeline?

The foundation of a good system is in place; we just need to add staff and get IT department working on modernizing the application process on the city website.

City indicates that it may be as much as 2-3 years (2014) for IT system activation.

3. Priority Client Status / Exclusive Time for Filing

Provide priority client status to contractors and set aside exclusive time for the filing of their applications every day (e.g. 8:30 a.m. to 10:30 a.m.)

Priority level?

Moderate.

Who is responsible?

- Chief Building Official
- Permit Service Clerks

Commentary / Status?

- Established priority time and operate according to known busier seasonal cycles.
- Continue assigning Permit Service Clerks to larger files but hire additional staff for busier summer period when other, smaller, and 'one-off', citizen and contractor applications come forward.

Timeline?

Completed.

4. Staff follow-up Building Permit and Site Plan

Require that city staff follow up with building permit and site planning applicants from the business community within a maximum of seven (7) business days. The expeditor should oversee this process and provide an update to the applicant at least once within the seven (7) day period and notify the applicant as to the status. The applicant should receive immediate notification if information is missing from the application.

Priority level?

Moderate

Who is responsible?

- Chief Building Official / Permit Service Coordinator
- Site Plan Control Officer / Manager Development Approvals
- IT internal / external

Commentary / Status?

City has hired a Subdivision/Site Plan Engineer to oversee, coordinate, review and manage the work and files of staff that are reviewing site plan agreements and building inspections. These individuals will work with the Manager of Development and CBO.

Additional work is required to make site plan applications more transparent, however, IT is required to provide software basis for process.

With respect to subdivisions / site plan agreement deposits, a fees report concerning this issue has been drafted and reviewed at DLAC. The recommendation is that when subdivisions register, they

get a free inspection at the outset; a free second inspection two years later (or when the project is completed) but are charged by the hour if a third inspection is required.

The development approvals process is also being re-organized to ensure prompt turnaround of applications.

Timeline?

Staffing reorganization began in 2011 and system changes are now in place.

2013 for IT

5. Performance Fees / Letters of Credit / Bonding / Release of Deposits

The city must return money to bidders in a timely fashion and permit bidders that have bonding facilities in place to be able to use bid bonds in lieu of letters of certified deposits.

City staff must also be available to inspect sites in a timely fashion in order to complete the building file and return the letters of credit.

The city reported that they are encouraging the return of pro-rated amounts of performance bonds as contracts near completion. They also stated that they can hold a pro-rated value in the case of service contracts (i.e. janitorial) for a value equal to one month of the contract.

For contractors that pre-qualify, we encourage the city to waive the bid requirement and to have companies with a bonding facility in place, to be able to use it on all jobs.

Priority level?

High

Who is responsible?

- Engineering
- Council
- DLAC
- Infrastructure Services
- General Manager of Growth & Development
- Manager of Development Approvals
- Chief Building Official
- Industry

Commentary / Status?

Re-examine the need for up-front performance fees especially in situations where a vendor / contractor has been pre-qualified. Consider the use of letters of credit or bonds if the vendor / contractor has a bonding facility in place. Oftentimes the value of the contract does not relate to the value of the performance bond or certified cheque being requested. In situations where a certified cheque has been posted, releases a percentage of the amount related to the work completed, or allow the certified cheque to be replaced by a letter of credit or performance bond when the contract is awarded to the successful bidder.

Staff is reviewing present practices and is working to prepare a range of options for Council.

This includes considering when various cash fees taken, when should deposits be released, the developer's responsibility(s) for condition clearance and a 'three strike' rule for inspections.

New inspection fee policy is in place and improvements have been made through the development and reorganization in relation to the final acceptance and the release of deposits for subdivisions and site plans.

Timeline?

Undetermined

6. Building Inspection Consistency / Inspections by Ward or Project

A lack of consistency in the building inspection process and different interpretations of the building code by multiple inspectors was acknowledged as a significant road block. Different inspectors for the same job often produce contradictory orders. Consider linking building site inspections to ward boundaries and assign inspectors to specific projects until the project has been completed.

Priority level?

High

Who is responsible?

CBO / Assistant CBO

Commentary / Status?

Currently, building inspections are project based. This is mainly for two reasons; to avoid the perception of favouritism and not all wards are consistently busy.

However, the city does assign single inspectors to larger projects and has hired a Manager of Building Inspectors to ensure consistency – among other things – during inspections.

The city has hired a Manager of Inspections for oversight and to improve quality assurance.

Timeline?

Ongoing (require more inspectors)

7. Site Plan Requirements

Publicize with clear language, the expectations and requirements for site planning as they relate to respective project types.

Priority level?

High

Who is responsible?

- Planning Director
- Manager of Development Approvals
- Site Plan Control Officer
- Development Engineering Supervisor
- DLAC

Commentary / Status?

Despite the online availability of a site plan check list and citizen guide, many respondents stated that they were unaware of their existence. Better positioning and promotion is required.

Moreover, the existing site plan manual has yet to be reviewed and revised, and personnel changes have made this objective difficult. In the interim, the city has re-purposed the Administrative Assistant to the Manager of Growth and Development to coordinate all site plan issues related to homeowners.

Outstanding actions include:

- Publishing a new updated Site Plan Manual
- Include new CGS standards into the site plan manual (i.e., beatification standards, etc.)
- Reorganizing developer's approval process
- Post Homeowner's Guide to the city website

Timeline?

2013

8. Final Site Plan Times Reduced

Final site plan inspection wait times must be reduced to no more than four (4) months.

Priority level?

High

Who is responsible?

- Site plan staff
- Development approvals
- Site plan applicants
- DLAC
- IT

Commentary / Status?

There has been some degree of completion in this area – Coordinator of Development Approvals and Subdivision Site Plan Engineer - however, the private sector must also shoulder some of the responsibility as incomplete reports/plans weigh down the ability of current staff to take on additional workloads.

Timeline?

Implemented

9. Integrate application requirements and regulations via IT

Adopt improvements to IT systems that result in convenient and efficient access across all department organization boundaries with the end goal of integrating services for businesses. Publicize all regulations and requirements relating to applications (licenses, permits, inspections, etc) and post any amendments.

Priority level?

Moderate

Who is responsible?

- Planning Services
- Building Services
- IT
- By-law
- Engineering

Commentary / Status?

The city has the processes posted on its website but it could be better utilized as part of a more complete, consistent and accessible website.

By-laws / Regulations / Acts / Requirements / Manuals should be part of a one stop development issue page.

This will be addressed as the city continues working towards its website re-launch.

Timeline?

2014

10. Online Filing System

Put in place an on-line filing system that allows applicants to follow the progress of their applications and city staff to access applications and update them as required.

Priority level?

High

Who is responsible?

- IT
- Planning Division
- Building Services

Commentary / Status?

While the city has posted a Permit Application Check List, Applicable Law Checklist, Document/Drawing Submission Checklist, Document/Drawing Submission Checklist - New Buildings and Document/Drawing Submission Checklist – Housing, it has yet to allow for a secure application payment system.

This step will require additional IT support or content to create digital process and full transparency (will need to address security and privacy concerns).

Timeline?

2012-2013

11. Reduce fee for commercial jobs that do not require city inspection

Reduce the fee for commercial jobs that do not require city inspection (i.e. private inspection has been retained).

Priority level?

Low (see below)

Who is responsible?

n/a

Commentary / Status?

All projects require city inspection mandated by OBCA and inspections by design consultants are also mandated by OBCA.

12. Streamline Application Forms

Respondents stated that they thought that permit and application language was burdensome and excessive.

Priority level?

High

Who is responsible?

- Planning Services
- Building Services
- Engineering
- DLAC

Commentary / Status?

Development application forms have been completed and the city stated it is willing to work with chamber and other groups to improve the language contained in all the other forms but was adamant that the Ontario Planning Act and the Ontario Building Code prescribes most of the required content and it is very unlikely to change much of the structure of the documents.

Timeline?

2012

13. Define and explain development fees

Development charges are collected to fund capital expenditures that result from the expansion of municipal services to meet the needs of property development.

Greater Sudbury's development fee by-law (2004-200F) expired in 2009 and so a new by-law was passed that year that outlined a three year incremental rate increase.

Since that time, confusion persists as to what the charges are for and why they are higher each year.

Priority level?

High

Who is responsible?

- Planning Services
- Building Services
- Finance
- Communications
- Chamber

Commentary / Status?

Staff and DLAC wrote a development cost-sharing policy with respect to future development and it was approved by council.

The Auditor is also scheduled to review user fees as part of his annual reporting. When the Development Charges Bylaw is updated in 2013, it is expected that business input will assist in establishing an improved process and will create understanding among all stakeholders.

Timeline?

2013

14. Increase current schedule of DLAC – results oriented

Increase the current schedule of DLAC meetings to every three (3) months and realign the mandate of the DLAC to be results oriented. It should also report progress to the CAO and Council on a semi-annual basis.

Priority level?

Low

Who is responsible?

General Manager of Growth & Development
DLAC (to help generate agenda)

Commentary/Status?

This is already in place as DLAC currently meets 5-6 times a year (excluding subcommittee work) and the minutes of DLAC are included on Planning Committee Agenda of Council for information. The GSCC is also now a sitting participant.

Timeline?

Completed

15. Delegate authority, responsibility and frontline decisions

Respondents cited city staff's unwillingness to make decisions as a factor contributing to red tape. Delegate authority and responsibility to those working on the front lines; empower staff and let them use their creativity and experience to solve problems. Break down the culture of empowerment and the "cover your ass" mentality.

Priority level?

High

Who is responsible?

- CBO
- Planning Director
- Manager of Development Approvals
- Development Engineer Supervisor
- Site Plan Engineer

Commentary / Status?

Empower all front line staff to make decisions through more extensive training. There needs to be an evaluation tool in place to aid development of the program.

Staff indicated that this is an ongoing issue and would require the involvement of HR and legal. The chamber offered to participate and review the information from past customer service data in an effort to potentially develop a means of measuring staff progress.

Timeline?

Ongoing; the city has issued an RFP for an employee assessment framework tool to be used for 'key' management positions.

2011-2012

16. Better Communication

Survey respondents voiced their frustration with the lack of communication within and between departments. For some, it was specifically accessing the right personnel and seeking the proper department. Businesses need to know where and how to interact with government and the city must make a better effort to communicate.

Simply put, businesses don't have the time to spend navigating through channels and departments; they need to know where and how to interact with government. It is in the interest of the city to communicate and simplify wherever possible.

Despite the best leadership, accountability and measurement tools, municipalities with unclear policies and weak communication activities can cause a breakdown.

In the most obvious way, poor communication can make a municipality seem bureaucratic. Our members identified vague decision making, needless delays and a climate of secrecy as some of the leading red tape issues. In each case, they reported that it made them feel distrustful and frustrated.

While the development of 311 and the Citizen Service Centres are two positive steps taken to increase two-way communication between the city and citizens, challenges nonetheless remain with the navigational structure of the city website and the lack of accessible and clear language for bylaws, regulations and requirements.

Priority level?

High

Who is responsible?

- Council
- Management
- Staff

Timeline?

Immediate and ongoing

17. Customer Service Evaluation

Consider implementing customer service evaluation tools where residents are polled to seek their anonymous response to their interaction with city departments. The results should be provided to the CAO, Auditor General and Council on a quarterly basis.

Priority level?

Moderate

Who is responsible?

- Management
- HR
- Stakeholders (chamber, DLAC, etc.)

Commentary / Status?

Council direction required for staff to make a priority.

Timeline?

Immediately (at council's discretion)

18. Municipal Service Improvement Review

Consider the establishment of a bi-partisan Municipal Service Improvement Review Committee consisting of representatives from the business community, city council and senior department staff to review existing policies, practices and procedures to make them more stream-lined, less bureaucratic, and more business-friendly. The committee should meet on a quarterly basis.

Priority level?

High

Who is responsible?

Council
Private Sector

Commentary / Status?

Despite DLAC satisfying aspects of this point, we nonetheless feel it worthwhile to pursue a more visible, less industry specific format with the Mayor as chair.

Timeline?

Immediately (at council's discretion)

19. Inter-departmental Regulation

Every department of the municipality should commit to reviewing and measuring the impact of interdepartmental regulation on a scheduled basis. This is a basic level of accountability and will assist in developing opportunities for cooperation and cohesion.

Priority level?

High

Who is responsible?

Management

Commentary / Status?

Management in various departments indicated that they perform this type of review within their respective departments but none indicated that they shared the results with anyone other than council (if at all).

The presence of an Auditor achieves a portion of this but more needs to be done.

Timeline?

Immediately (at council's discretion)

20. Bylaws

Ensure that bylaw staff conveys the main principles of the bylaws they are enforcing and that those bylaws are up to date, clear and reviewed on a periodic basis.

Priority level?

High

Who is responsible?

Manager of Bylaw Enforcement
Legal Services
Council

Commentary / Status?

The Manager of Bylaw Services informed us that her department is the last remaining vestige of pre-amalgamation as there are a number of bylaws pre-2001 that are in need of streamlining and updating.

For example, the bylaw regulating noise was updated in early 2010 and the city is now seeking public and industry input on the sign bylaw. The process has been slower than expected and it is now anticipated that council will approve a new sign bylaw in early 2012.

Timeline?

Ongoing and periodic (every three years).

Conclusion

On behalf of the Greater Sudbury Chamber of Commerce, we appreciate the opportunity to share the latest status of these recommendations with you. We strongly encourage Council to endorse them and direct staff to continue to engage us to find solutions. Local businesses are stakeholders in this community and any effort to lessen their red tape burden is a positive step that will contribute to their success as well as that of the local economy and our community.