



Working together with our community

Council-In-Committee Meeting – October 15, 2025

Subject: Norfolk County Business Registry System
Report Number: CS-25-118
Division: Corporate Services
Department: Legislative Services
Ward: All Wards
Purpose: For Decision

Recommendation(s):

That Report CS-25-118, Norfolk County Business Registry System be received for information; and

That staff be directed to proceed with the Option A or Option B as directed by Council.

That staff be directed to prepare the 2026 User Fees and Service Charges By-Law to reflect the Option supported by Council.

Executive Summary:

Purpose of the Report:

At the January 14, 2025 Council-In-Committee meeting, staff report [CAO-25-007](#), business License and Background Information was referred to staff for the purpose of staff providing a subsequent report on the implementation of establishing a business registry system for Norfolk County to replace the current business licensing structure.

Background and Context:

As noted in previous reports to Council, business licensing in Norfolk County currently licenses a variety of business types, with a total of 372 licenses issued in 2024 (out of 510 applications processed by staff) generating revenue of \$45,432, which helps offset the cost of the service. It was directed at both the above-mentioned meeting date and through a Notice of Motion in December 2024, that the program requires a review.

Key Findings and Analysis:

In a review of the current practice and the direction of Council, staff have taken into consideration the single price point charge for all business types within Norfolk County.

To the best of staff's knowledge, this model of licensing has not been utilized in other municipalities; however, there are benefits to a single charge system.

Having all businesses with a bricks and mortar presence pay a yearly flat rate charge can be seen as a fair and equitable way to ensure that all businesses have done their due diligence to ensure the health and safety of patrons. It is not unreasonable however, that it can also be perceived as unfair given some businesses are 'one-man' shops while others are large corporations. Having a flat fee for all businesses can on the other hand make the process simple and therefore could encourage all businesses to participate.

Keeping a status quo model, where businesses pay a license fee based on the current criteria in place, ensures that there is a balance between business type and the requirements for licensing, such as health and fire safety clearances. A flat fee licensing system could have those clearances fall through the cracks.

Options:

Staff are recommending two options for Council:

Option A: Status quo

Option B: An annual flat fee for all new and existing bricks and mortar businesses of \$25.00, and all businesses would have to provide proof of health and fire safety approvals. Transient businesses would not be included in this program and would still be required to obtain licensing as set out in the current By-law.

Discussions:

As outlined in previous reports to Council, business licensing programs vary by municipality and are regulated at the municipal level. Business licensing in Ontario is designed to achieve a variety of checks and measures such as, public health and safety, zoning and land use control, economic development and growth and revenue generation.

Current practice in Norfolk County is for a license fee to be payable upon license approval, which has resulted in a significant discrepancy between the total number of applications completed and the number of licenses issued. If the current program were to continue, Clerks staff are recommending a change in policy to require fee payment upfront prior to processing the application.

There are several benefits to the existing business licensing program, namely, credibility and trust. The current program requires all licensed businesses to display their annual business license. This not only assists the business in building customer confidence, it shows that their business has been inspected, it is legitimate and trustworthy. A

business license program can also assist businesses in improving their own relationships with other businesses, such as vendors that may require proof of licensing.

Where there are benefits, there are risks. Discontinuation of the current structure of business licensing is not immune to those risks. While there would be an administrative burden reduction for many, those risks need to be weighed to ensure understanding. Such things as risk of businesses not operating with proper inspections or permits may impose a risk to public health and safety. Reduced public trust and accountability may be impacted by way of consumers and vendors struggling to distinguish between legitimate businesses and those that may be modern day scammers. In terms of impacts external to the geographical boundaries of Norfolk County, it could be seen by investors that the County is not well regulated. Elimination or a reduction of the program could have impacts on enforcement measures as well.

There are alternative strategies that can satisfy both consumer trust, municipal compliance and business needs, such as a defined process for businesses that are consistent across all business types. For example, the business licensing registry program outlined as Option B could be designed to meet all needs while reducing complexity and costs.

Moving to a business registry system would not change the structure as businesses know today, rather it could have the potential to streamline the process for some. Currently, businesses complete the annual renewal online, staff have been working towards further streamlining this process by allowing for payments to be made at the time of application. Further changes to the program would not be required and the implementation of a registry system would be rather seamless to the business owner. In terms of an overall communication plan, staff would ensure that all existing businesses affected by the change would be made aware of those changes prior to the renewal period in 2026. A full understanding of any businesses that do not fall under the umbrella of a bricks and mortar establishment would also be advised of the process for obtaining licensing in Norfolk County.

Finance Comments:

Table 1 – Option Comparison

Option	Licensing Revenue		
	2024 (Actual)	2026 (Projected)	Increase / (Decrease)
Status Quo Licensing Program (2024 Comprehensive Review)	45,500	70,700	25,200
Status Quo Licensing Program (Excluding Public Health Cost Recovery)	45,500	47,300	1,800
Business Registry System	45,500	26,500	(19,000)

Status Quo Approach

During 2024, staff completed a comprehensive review of all business licensing fees based on current processes and presented fee recommendations to Council at the [October 17, 2024 Budget Committee Meeting \(CS-24-134\)](#). As outlined in the User Fee Policy (FS-26), User Fees are set to recover the full cost of providing services using a full cost accounting approach, except where Norfolk County Council has approved a subsidy or exemptions; where services are based on competition in the open markets; or where fee amounts are legislated by the Province. Therefore, the basis for the status quo recommendation, if Council approves the continuation of the business licensing program in its current form, would be the rates presented within the most recent comprehensive review completed in 2024.

The estimated budgetary impact of continuing with the status quo approach to business licensing at the recommended rates from the 2024 review, would be an increase in revenue of approximately \$25,200 vs. 2024 Actuals, which is consistent with the analysis presented within CS-25-007 (January 14, 2025 CIC) adjusted for CPI increases. This increase would be mainly driven by license fees for food premises, hotel/motel/B&B's, and personal aesthetics and salons, which were recommended to increase from the introductory rate of \$18 in 2024 to \$155 based on a phase into full cost recovery. It is important to note that all of these include a significant public health inspection component.

Furthermore, with the health unit transitioned from the County to the new merged health unit at the start of 2025, it was determined that fee recommendations based on full cost recovery (FCR) that contained a public health inspection component were at risk of potentially being overstated. Staff presented report [CS-25-023 Business Licensing Fees](#) at the February 25, 2025 Council Meeting which included proposed adjustments to various user fees to exclude the public health costs from the full cost recovery fee calculations. The estimated budgetary impact of the status quo business licensing program, excluding Public Health cost recovery, and adjusted for inflation (3.5%) is essentially status quo (+\$1,800). Cost recovery for certain licenses, such as for mobile food premises, brick and mortar food premises, hotel/motel/B&B's, and personal aesthetics and salons can include significant public health inspection costs due to requirements for multiple inspections annually. As such, the adjusted fee rates covering just the Norfolk County portion of full cost were significantly lower than even the 2024 rates prior to the initial review.

Business Registry System

As presented in this report, Council asked staff to complete a rationalization of the business licensing program, and to investigate the feasibility of a business registry system for brick-and-mortar business, which would replace the standard fees for these licenses with a flat rate \$25 registry fee. Based on 2024 total licenses issued of 372, of which, roughly 75% or 280 would be subject to the registry fee, the estimated budgetary impact of this system would be a decrease in revenue of approximately \$19,000 vs.

2024 Actuals. This outcome, which is not drastically different from the status quo option, is due to the fact that the majority of licensing revenue currently comes from mobile food premises which would not be subject to the registry system. Additionally, the \$25 registry fee would only be a marginal reduction for some fees and constitutes a marginal increase compared to certain 2024 rates, such as the \$18 introductory rates for food premises, etc. mentioned previously.

Overall Comments

It should be noted that neither alternative is expected to result in a material impact to the overall Levy. The Proposed 2026 User Fees and Service Charges By-Law Update is being presented to Council at the October 16th, 2025 Budget Committee meeting and excludes the Business Licensing schedule pending Council direction on the program stemming from this report. As such, staff will prepare the resulting User Fee By-Law based on Council's recommendation for the Council Meeting scheduled for October 28th, 2025, and any budget adjustments will be incorporated into the Proposed 2026 Levy Operating Budget for the Legislative Services Department.

Interdepartmental Implications:

The Fire Department may or may not implement additional fees for inspection services to satisfy the requirements of a flat fee business license model, including but not limited to existing and new businesses within Norfolk County.

Consultation(s):

Staff consulted with the Fire Department and Finance.

Strategic Plan Linkage:

Empowering Norfolk - Putting the tools and resources in place to ensure our businesses' and residents' success

Attachment(s):

- None

Approval:

Approved By:
Al Meneses, CAO

Reviewed By:
Heidy VanDyk, General Manager, Corporate Services
William Tigert, County Clerk

Prepared By:
Tracey Rodrigues, Deputy County Clerk