

REPORT OF THE HEAD OF HUMAN RESOURCES AND DEVELOPMENT

FEES FOR ANIMAL RELATED APPLICATIONS

REASON FOR REPORT

1. To recommend the adoption of licence fees set out in this report.

RECOMMENDATIONS

1. That the Regulatory Committee approves one of the following options with regards to licence fees set out in this report:

**Option A:** The fees reflecting the true projected cost of the function are implemented in full immediately

**Option B:** The fees reflecting the true projected cost of the function are introduced over a two year period. The fees can then be reviewed in 2016 to ensure the projections are accurate with a view to recovering any deficit.

RELATIONSHIP TO CORPORATE PLAN

1. None

FINANCIAL, LEGAL AND RISK ASSESSMENT IMPLICATIONS

Any financial, legal and/or risk assessment implications are set out below:

<b>Financial</b>	Licence fees should be set at a level to recover the cost to the Council
<b>Legal</b>	Various statutes empower the Council to set fees for licences and the Council must be compliant with relevant legislation.
<b>Risk Assessment</b>	To set the fees too high risks the Council being challenged by those licensed, while to set the fees too low would mean that the Council tax payer is subsidising local businesses

CONSULTATION CARRIED OUT WITH:

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| 1. The Council's Accountancy Team to determine the costs of the function. |
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## 1.0 INTRODUCTION

- 1.1 The Council is responsible for licensing a number of animal related activities and in doing so has a responsibility to ensure the welfare of animals involved in these activities, along with the safety of the wider public (i.e. ensuring dangerous wild animals do not escape or attack members of the public).

### Licence types

- 1.2 As a brief overview, the Council is responsible for the following regimes.
- 1.3 Animal Boarding: Allows people to provide accommodation for other peoples cats and dogs. This includes kennels, catteries, home boarders and dog day crèches.
- 1.4 Dangerous Wild Animals: Allows someone to keep an animal considered to be wild, dangerous or exotic. There is a prescribed list of relevant animals which includes wild cats, primates, wild dogs, retiles and spiders.
- 1.5 Dog Breeding: Allows someone to carry on the business of breeding dogs for sale.
- 1.6 Pet shops: Allows a premises to sell animals as pets.
- 1.7 Riding Establishments: Allows horses to be kept for the purpose of being let out on hire for riding or used in providing instruction in riding (in return for payment).
- 1.8 Zoos: Enables wild animals to be displayed to the public for at least 7 days per year.
- 1.9 Each of these licensing schemes allows the licensing authority to attach appropriate conditions to the licence. Lists of standard conditions have been adopted by this authority for some of the above, although it should be noted that that this does not limit the Councils discretion to attach further conditions or omit standard conditions from a particular licence, should the circumstances justify it.
- 1.10 In accordance with legislation, veterinary surgeons / practitioners inspect both new and renewal applications for riding establishments, dangerous wild animals and zoos. Dog breeding facilities require a vet inspection on initial application but not necessarily on renewal. In 2014 this authority decided that veterinary surgeons / practitioners should also inspect premises where new applications had been made for animal boarding and pet shops. Vet inspections are not necessarily required for renewal applications but can take place should they be needed i.e. because of an animal welfare concern.
- 1.11 Applicants are recharged for the above vet inspections and this is in addition to the application fee.

## **2.0 LICENSING FEES**

2.1 The proposed new fees are set out in Annex 1.

2.2 The fees have been calculated using a cost matrix which follows two templates available on the Institute of Licensing Website. These were produced by the Wales Licensing technical Panel (in relation to Hackney Carriage and Private Hire fees but the same principles apply to animal fees) and Taunton Deane Borough Council (in relation to animal fees). The matrix seeks to set out all of the relevant information and produces a final chargeable fee for each application. The matrix itself is a lengthy document and as such, some general points of interest are noted below:

- The hourly cost for each officer incorporates associated on-costs
- It contains a breakdown of all chargeable elements of each individual application via a number of different tabs
- An 'administration' tab outlines the general time and costs allocated year on year to maintenance of the regime (not specific to the processing of an application as such). This includes things like general admin, updating web pages, staff training and policy development. This tab also includes a breakdown of the total number of anticipated applications.
- Each individual application process then has its own tab which tracks the time it takes from initial enquiry to issue of that particular licence. This includes the time spent making an inspection. Where possible, those processes within different applications that are similar or match have been allocated the same amount of time.

2.3 If Members of the Committee wish to see the full cost matrix please contact the licensing team who will forward it to you. Furthermore, if it is helpful, a run through can be provided at the meeting. It should be noted that the template is the same used for setting hackney carriage / private hire related fees.

2.4 Charges must be reasonable and proportionate to the cost of the processes associated with the specific licensing regime and cannot be used as an economic deterrent or to raise funds in general. If the proposed fee structure results in a surplus or loss for the year there can / will be an appropriate reduction or increase of fees in the following years.

2.5 Reviewing the relevant income and opposing costs of staff time (for the periods available) from 2010 – 2014, shows that a likely deficit has been accrued for all animal related functions. Although it is legitimate to recover deficits by increasing fees, it is felt that as a new cost matrix has been introduced, it is best to propose fees based on projected costs in the future. This in itself has resulted in all fees increasing and gives the authority a chance to monitor how accurate the new cost matrix is and if necessary make adjustments in the future.

2.6 There have also been some changes to inspection related work for animal applications in the previous 2 years which has contributed to projected increases in fees. Firstly, the Council adopted new Chartered Institute of Environmental Health Model Conditions for certain applications to ensure standards are continually improved. These have led to an increase in pre-application enquiries and also lengthier inspections. Secondly, the inspections are now solely completed by members of the licensing team as opposed to Environmental Health Officers.

2.6 To give an indication as to the overall difference in income that would occur as a result of introducing the new fees we can compare projected income using the current fees against the proposed fees. We predict receiving 30 applications in total (a specific breakdown of the applications is on the 'Administration' tab of the cost matrix) resulting in a total income of £3,162 based on the current fees. The proposed fees would generate an income of £4,916.

2.7 As with all fee setting models it is important to note that the figures need to be reviewed regularly to ensure they are current and relevant. Time monitoring activities and all costings will be reviewed on an annual basis and presented to the committee.

2.8 Annex 2 gives a comparison of the new proposed fees with some of our neighbouring authorities. As with all comparisons in terms of fees, this is for information only and should not be taken as indicative of 'right or wrong' fees.

### 3.0 RECOMMENDATIONS

3.1 Even though the proposed costs do not take in to account any deficits, there are still some relatively high increases in fees when compared against existing fees. As a result, members are provided with two options for consideration:

**Option A:** To apply the complete proposed fees in their entirety.

**Option B:** To stagger the increase in fees over the next two years. The fees can then be reviewed in 2016, with a view to recovering the deficit from year one, if this is applicable.

3.2 The difference in fees for options A and B are set out in Annex 1.

### 6.0 TIMESCALE

6.1 There is no statutory duty on the Council to consult when setting or revising the fees specified in this report. The proposed new fees would come in to effect immediately.

<b>Contact for any more information</b>	Tom Keating (4618) Simon Newcombe (4615)
<b>Background Papers</b>	Various licensing legislation

<b>File Reference</b>	Licensing Fees/Fees/2015
<b>Circulation of the Report</b>	Regulatory Committee