

COUNCIL

11 OCTOBER 2018

APPROVAL OF ANIMAL LICENSING FEES AND CHARGES

Portfolio Holder: Councillor Jane Chitty, Planning, Economic Growth and Regulation

Report from: Richard Hicks, Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive

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Summary:

This report seeks approval to the setting of necessary fees and charges for animal licensing in line with new legislation.

1. Budget and Policy Framework

1.1 In year additions to the revenue budget, such as fees and charges, are a matter for Full Council.

2. Background

2.1 The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 came into effect on 1 October 2018. These Regulations are introduced under the Animal Welfare Act 2016 and are intended to raise the standards of animal welfare by making Regulations to provide for licensing or registration systems for certain activities involving animals.

2.2 These activities include selling animals as pets, providing for or arranging for the provision of boarding for cats or dogs, hiring out horses, dog breeding and keeping or training animals for exhibition.

2.3 These are activities that are already licenced by the Council. However, the Regulations make significant changes to the way that licences are issued and fees charged for so doing.

2.4 Chief among these is the move to a star rating system which will introduce a level of “earned recognition” into the licensing system. Local authorities will be

able to issue licences for one, two or three years, with longer licences going to high performing, low risk businesses, whereas currently all licences are limited to one calendar year.

- 2.5 This will result in lower licence fees and fewer inspections for high performing businesses, thereby reducing the burden on them. It will also incentivise other businesses to perform at higher levels which will help to drive up animal welfare standards.
- 2.6 The risk rating process however, will mean an increase in the amount of officer time involved. This means that the scale of fees & charges for animal licensing needs to be revised.
- 2.7 The Regulations allow for local authorities to charge for their reasonable costs in;
- a) the consideration of an application for the grant, renewal or variation of a licence including any inspection relating to that consideration, *and* for the grant, renewal or variation,
 - b) the reasonable anticipated costs of consideration of a licence holder's compliance with these Regulations and the licence conditions to which the licence holder is subject in circumstances other than those described in sub-paragraph (a) including any inspection relating to that consideration,
 - c) the reasonable anticipated costs of enforcement in relation to any licensable activity of an unlicensed operator, and
 - d) the reasonable anticipated costs of submitting returns to the Secretary of State.
- 2.8 Taking all of this into consideration, a new set of fees is proposed and attached at appendix 1 for approval.

3. Options

- 3.1 Local authorities are obliged by the Regulations to notify all existing licence holders of these changes three months in advance of their renewal date, which is 1 January 2019. Due to this time restraint, Medway Council will not be able to recover its costs in relation to existing licence holders until January 2020. Approval of these fees, however, will enable costs to be recovered against new businesses as well as those that are brought into the scope of licensable activity by the Regulations.
- 3.3 The options for proceeding are:
- a) Proceed with the new Animal Licensing Scheme making use of existing licensing fees.
 - b) Approve the licensing fees proposed in appendix 1. This is the recommended option.

4. Advice and Analysis

a) – Implement existing fees (not recommended)	b) – Approve and implement new fees (recommended)
The Council has no choice other than to implement the new Animal Licensing Regulations. While it is feasible to do so using the existing fees, these will not cover the increased amount of officer time involved.	Approval of the new Animal Licensing fees will allow the team to recover their costs in implementing the Regulations from day one. While it is not the primary intention of this report to generate income from the licensing regime, approval of these fees will enable the team to offset some budget pressures and help towards transformation savings.

5. Risk Management

- 5.1 Although the Council has no obligation to notify licence holders in advance of the statutory three months, the team has already written to them about the change in legislation and posted the relevant information on the Council website.
- 5.2 Any new risks identified subsequent to the implementation of the new fees will be raised with Senior Officers as necessary.

6. Financial Implications

- 6.1 By law, the licensing authority can only charge for its reasonable costs in implementing the Regulations and should not make a profit. However, due to the increased activity required by officers, these costs will be higher than those that are currently being charged. The approval of these fees therefore will have a positive impact on the team's budgetary position.
- 6.2 Initial projections show that this positive impact will be in excess of £14.5k (full year). A comparison table is attached at Appendix 2.
- 6.3 It should be noted that the total income in subsequent years is likely to rise or fall depending on;
- a) the number of new (as yet unidentified) licensable activities that are brought into the scope of the licensing regime by the Regulations and,
 - b) the number of two and three year licences issued
- 6.4 The fees will be reviewed annually, as part of the budget setting process, so as to ascertain if any adjustment is necessary.

7. Legal Implications

- 7.1 Alongside the proposed new fees, the Regulations require that the Council appoints one or more suitably qualified inspectors for the purposes of inspecting any premises on which the licensable activity (or any part of it) is being, or is to be conducted. The Environmental Protection Team Leader, Environmental Protection Officer, Trading Standards Team Leader and Enforcement Officer (Trading Standards) will be appointed to act as suitably qualified inspectors in accordance with the Regulations.

8. Recommendation

- 8.1 The Council is recommended to approve the fees and charges for animal licensing, as set out in paragraph 3.3.b of the report and Appendix 1 to the report.

Lead Officer Contact

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Appendices

- Appendix 1 – Animal Licence Fees Table
Appendix 2 – Fees Comparison Table

Background Papers

The animal welfare (licensing of activities involving animals) (England) regulations 2018

<https://www.legislation.gov.uk/uksi/2018/486/contents/made>

Explanatory memorandum to the animal welfare (licensing of activities involving animals) (England) regulations 2018

https://www.legislation.gov.uk/ukdsi/2018/9780111165485/pdfs/ukdsiem_9780111165485_en.pdf

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Appendix 1

Animal Licence Fees Table:

Nature of Licensable activity	Size of licensable activity	Fees Part A	Fees Part B		
			1 & 2 star establishment year licence. 1	3 & 4 star establishment year licence. 2	5 star establishment 3 year licence.
Boarding in kennels for Dogs	1-15 pens/kennels	£189 plus vet fees	£189	£285	£410
Boarding for Cats	16-30 pens/kennels	£252 plus vet fees			
	31+ pens/kennels	£285 plus vet fees			
Selling of Animal as Pets		£189 plus vet fees	£189	£285	£410
Home Boarding of Dogs and Day Care for Dogs	1-5 Dogs	£189 plus vet fees	£189	£285	£410
	6+ Dogs	£252 plus vets fees			
Breeding of Dogs	1-10 adult dogs resident	£189 plus vet fees	£189	£285	£410
	11-20 adult dogs resident	£252 plus vet fees			
	21+ adult dogs resident	£315 plus vet fees			
Hiring of Horses	1-30 Horses on the premises	£252 plus vet fees	£189	£285	£410
	31+ horses on the premises	£315 plus vet fees			
Keeping or training animals for exhibition	N/A	£189 plus vet fees	N/A	N/A	£189
Part A covers the application and authorisation process. Part B is the cost for administering and enforcing the framework. Both fees must be paid in full (along with any veterinary fees) prior to the licence being issued.					
Other Charges					
Requests for variations	Administration fee	£32	Vet fees will be charged separately if applicable.		
	Pre-application/Site inspection (if required)	£63			
Request for re-inspection		£95			
Pre Application Advice		£63			

Note: The above fees will be reviewed on an annual basis, as part of the Council's budget setting process.

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Appendix 2

Fees Comparison Table

Nature of licensable activity	Existing Annual Income	Projected Annual Income Fees Part A	Projected Annual Income Fees Part B	Projected Total Annual Income
Boarding in Kennels for Dogs Boarding for Cats	£ 2,819.10	£ 2,934.00	£ 3,920.00	£ 6,854.00
Selling of Animals as Pets Home Boarding of Dogs Day Care for Dogs	£ 3,831.60	£ 4,914.00	£ 7,017.00	£ 11,931.00
Breeding of Dogs	£ 327.30	£ 441.00	£ 570.00	£ 1,011.00
Hiring of Horses	£ 422.40	£ 504.00	£ 695.00	£ 1,199.00
Keeping or training animals for exhibition	£ -	£ 567.00	£ 567.00	£ 1,134.00
Totals	£ 7,400.40	£ 9,360.00	£ 12,769.00	£ 22,129.00

N.B. The total income in subsequent years is likely to rise or fall depending on;

- a) the number of new (as yet unidentified) licensable activities that are brought into the scope of the licensing regime by the Regulations and,
- b) the number of two and three year licences issued.