

Licensing Regulatory Committee

Review of Licensing Fees for Animal-related Licensing 24 March 2016

Report of Chief Officer (Health & Housing)

PURPOSE OF REPORT

To review the costs and licensing fees for animal-related licensing to enable Members to approve the level of fee for 2016/17.

This report is public.

RECOMMENDATIONS

- (1) **That the licensing fees for animal-related licences be determined for 2016/17 on consideration of the options contained in this report.**

1.0 Introduction

1.1 This report is concerned with the setting of the level of licence fees 2016/17 for :

- Commercial animal boarding establishments
- Home boarding establishments
- Dangerous wild animals
- Riding establishments
- Pet shops
- Dog breeding establishments
- Zoos

The setting of such fees is a non-executive function, and therefore a matter for this Committee.

1.2 Licensing fees for the premises under consideration and referenced as part of this review are set according to the legislation specific to those premises:

- Commercial animal boarding and home boarding establishments - Animal Boarding Establishments Act 1963
- Dangerous wild animals – Dangerous Wild Animals Act 1976 as amended.
- Riding establishments – Riding Establishments Act 1964
- Pet shops – Pet Animals Act 1951
- Dog breeding establishments – Breeding of Dogs Act 1973
- Zoos – Zoo Licensing Act 1981

1.3 It is currently assumed that there will be in the region of 60 animal related licenced premises during 2016/17.

2.0 Proposal Details

- 2.1 The council's Fees & Charges Policy states that when setting charges, the general aim is to cover the cost of the service, reflecting the full cost of provision including recharges. It is not lawful, however, for the council to seek to make a profit from licence fees that are within its discretion. The Fees & Charges Policy in relation to licensing fees offers a standard of good practice, although it is not binding on Licensing Regulatory Committee.
- 2.2 It is also a requirement of the council's Fees & Charges Policy that fees be reviewed annually. The animal licensing process involves processing of applications and payments, carrying out inspections and advice visits, and preparing licences, reports and letters, etc. The direct costs of this process therefore mainly consist of staffing resources and associated running costs. There are also indirect costs associated with animal related licensing, such as complaint investigation, enforcement, software maintenance, staff training, policy work and committee costs.
- 2.3 Although monitoring of indirect costs was commenced in 2015, further work is needed to determine the full impact of these. It is intended to continue monitoring indirect costs over the next few months, when a report will be brought to Licensing Regulatory Committee to decide whether to fully recover licensing costs when approving revised fees in future years.
- 2.4 Meanwhile, this review concludes that it is appropriate to increase by 1.5% the fees to be charged during 2016/17 in order to cover inflationary rises in line with other fees and charges applied during the current Budget process. The final amounts resulting from this increase would, as is normal, be appropriately rounded in line with Fees & Charges Policy. The recommended fees are attached in Appendix A.

3.0 Options and Options Analysis

- 3.1 The options proposed are:

Option 1: Approve a 1.5% increase (appropriately rounded in line with Fees & Charges Policy) with regard to animal welfare licences as set out in Appendix A.

Option 2: Approve a different level of percentage increase as decided by Committee.

Alternatively, it would be open to the Committee to consider alternative fee structures.

- 3.2 The Officer preferred option is option 1, i.e. a 1.5% increase (appropriately rounded) for animal related licences.

4.0 Conclusion

- 4.1 Other fees and charges within Health & Housing Services are being increased generally by 1.5%, therefore, approving Option 1 would be consistent with this position.

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

This report relates to licensable businesses both small and large and this raises considerable complexity of affordability. This report endeavours to summarise licensing costs and fee setting options.

LEGAL IMPLICATIONS

There are no legal implications stemming from this report.

FINANCIAL IMPLICATIONS

Members are reminded that animal licensing is a statutory function legislated by the relevant Acts listed within the Report, although it is for the Local Authority to determine the appropriate charge.

The officer preferred option will generate a small additional income of £100 (rounded) compared to the current year fee income. The 2016/17 budget includes £7,600 (rounded) for licence fee income as demonstrated by the following table:

Licence Type	Licence No's	Current Fee income £	Proposed Fee Income at 1.5% £	Difference £
Horse Riding Establishments	7	998	1013	15
Dog Breeders Licence	4	570	578	8
Pet Shop Licence	11	1,627	1,651	24
Animal Boarding (Commercial)	10	1,479	1,501	22
Animal Boarding (Home)	27	2,630	2670	40
Zoo Licence	1	153	156	3
Total	60	7,457	7,569	112

Should Members opt for a different option/percentage, then subject to how material they are, these would need to be further appraised and fed into the budget process during the 2017/18 budget process.

The increase in fees does not fully recover the cost of issuing Licenses and the Council does not make a profit from the fees based on an initial 9 months of monitoring. The service requires a full 12 months of monitoring, which began in June 2015, to assess the increase to fully recover costs. A report in liaison with Financial Services will be brought back to the Licensing Regulatory Committee to enable fees to be set as per the legislative guidance and the Internal Fees & Charging Policy.

SECTION 151 OFFICER'S COMMENTS

The Deputy Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Lancaster City Council Fees & Charges

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Policy

Animal Boarding establishments Act 1963

Dangerous Wild Animals Act 1976 as amended

Riding Establishments Act 1964

Pet Animals Act 1951

Breeding of Dogs Act 1973

Zoo Licensing Act 1981

Ref: LRC10