

LICENSING & REGISTRATION COMMITTEE

January 2024

REPORT OF CORPORATE DIRECTOR OF OPERATIONS & DELIVERY

A.1 Operations & Delivery / Housing & Environment – Proposed Fees & Charges for Animal & Beauty Licensing 2024/25

(Report prepared by Grant Fenton-Jones)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the Licensing & Registration Committee's concurrence to the proposed schedule of fees and charges 2024/25 for Operations & Delivery / Housing & Environment – Animal Licensing & Beauty Treatment Licensing.

To submit to the Committee details of the current licensing fees and charges for the issuing and renewal of licenses issued by the Environmental Health service, that are non-executive functions, and to seek approval for the proposed fees and charges for the new financial year to take effect from 1 April 2024 (or as soon as possible thereafter taking account of legislative requirements).

EXECUTIVE SUMMARY

- This report sets out the proposed fees and charges for 2024/25 for Operations & Delivery / Housing & Environment. They continue to be considered against a number of key principles that form part of the long term financial forecast approach which are summarised later on in this report.
- Any amendments to income budgets that are required to reflect changes to fees and charges will be included in the detailed budget proposals for 2024/25 that will be considered by Cabinet / Full Council next year.
- In respect of Full Council next year, the individual decisions agreeing fees and charges will be collated and presented as part of the overall budget setting process for 2024/25.
- This report sets out the current schedule of fees and charges is presented for approval along with the proposed fees and charges to take effect from April 2024.
- The fees and charges payable for applications are within the remit of the Committee and, where a discretion exists, it is proposed that increases be approved to better reflect cost recovery in relation to the administration of the licensing areas concerned. The proposed fees and charges for 2024/25 along with the fees and charges for 2023/24 are set out within Appendix A to this report.

RECOMMENDATION(S)

It is recommended that:

That the Schedule of Fees and Charges 2024/25 for Operations & Delivery / Housing & Environment set out in Appendix A be agreed.

It is recommended that:

- 1) The current fees and charges in place since April 2023 are set out in column A of Appendix A;**
- 2) That the proposed fees and charges for 2024/25 set out in column B of Appendix A be approved with effect from April 2024; and,**
- 3) The Assistant Director for Housing & Environment be authorised to publish the Animal and Beauty Treatment Licensing fees in accordance with the relevant legislative provisions.**

REASON(S) FOR THE RECOMMENDATION(S)

To enable the implementation of a revised fees and charges schedule for 2024/25.

The Council has made provision in its Constitution (at part 3.20) for the setting of fees for licences falling within the remit of this Committee to be determined by it.

The statutory principle in relation to the setting of fees is that they should be reasonable and should relate to the costs of performing the function, including staffing, administration, testing, inspections, hearings, regulation and appeals. 3.2 The recommendation is in order to comply with the provisions of the European Services Directive (2006/123/EC) which was incorporated into UK law by the Provision of Services Regulations 2009. The legal requirements were considered by the Supreme Court in the case of R (on the application of Hemming and others) v Westminster City Council [2015] UKSC 25 and [2017] UKSC 50.

ALTERNATIVE OPTIONS CONSIDERED

Where a discretion exists in relation to fees and charges for licences, etc. consideration has been given to not increasing the fees payable. However, the costs associated with providing the service have increased over the past year and it is necessary for the service to be, so far as possible, cost neutral and increase fees in line with estimated inflation. The proposed increase reflects on-going general inflationary pressures experienced in 2023/24 and those estimated in 2024/25, and therefore, a 4% increase is proposed for 2024/25. That is to say that all relevant costs are recovered from the income derived from the fees and charges for each distinct area of licensing.

If there is no increase in fees there is a risk that the Council will not recover all of the costs for services or activities for which it is permitted to charge and increase the burden on the Council's general fund

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The forecasting and budget setting process, including fees and charges, will have direct implications for the Council's ability to deliver on its objectives and priorities. At its heart, the 10 year approach to the forecast seeks to establish a sound and sustainable budget year on year through maximising income, including income raised from fees and charges, whilst limiting reductions in services provided to residents, businesses and visitors.

It is intended that the revised fees and charges would support the following themes from the Council's Corporate Plan 2024-28:

- Pride in our area and services to residents
- Championing our local environment
- Financial Sustainability and openness

LEGAL REQUIREMENTS (including legislation & constitutional powers)

The Local Authorities (Functions and Responsibilities)(England) Regulations 2000 (as amended) determine in Regulation 2, which functions are not to be the responsibility of the executive, as set out in column 1 of Schedule 1 of the Regulations. For the purposes of this report, animal licensing and beauty treatment licences are contained within column 1 and therefore sit within the terms of reference of the Licensing and Registration Committee as set out in Part 3.21 of the Council's Constitution. Any fees set in accordance with the licensing regime under this legislation are to be approved by the Committee.

Licence Type	Charging Power
Animal Licensing	The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 Regulation 13,1&2 European Services Directive (2006/123/EC) Local Government (Miscellaneous Provisions) Act 1982 Schedule 3 Paragraph 19 of the Local Government (Miscellaneous Provisions) Act 1982
Beauty Licenses for Acupuncture, Tattooing, Ear Piercing and Electrolysis	Schedule 3 Paragraph 19 of the Local Government (Miscellaneous Provisions) Act 1982

The animal licensing service operates in accordance with the *Animal Activity Licensing Process: Statutory Guidance for Local Authorities* that was most recently updated on 17 January 2023. The guidance provides a framework for fee setting and process for the granting, inspection and renewal, etc. of licences.

This Schedule of Fees and charges include some non-executive functions, so therefore, the Committee is asked to endorse and approve these fees for the next financial year, 2024/25.

The setting of these proposed fees and charges is in accordance with the requirements of the

Provision of Services Regulations 2009 and case law as referenced earlier in this report.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Fees and Charges have been reviewed against the key principles that underpin the long term forecast, which includes the generation of income whilst balancing strategic and external market conditions.

Given the significant on-going financial challenges faced by the Council from 2024/25, a key underlying principle is to consider inflationary increases wherever possible to support corresponding increases in the Council's own costs in delivering the associated service(s). The current rate of inflation remains relatively high and it may not necessarily be practical / possible to 'translate' such an increase into the actual fee increase proposed. Therefore, set against this inflationary context, any proposed increases in fees and charges must be balanced against other considerations / market conditions, whilst also recognising the restrictions placed on local authorities in terms of setting fees and charges as set out within the legal section above. Further details relating to any proposed increases to fees and charges is set out below.

Any changes to income budgets resulting from any changes in the level of fees and charges agreed, will form part of the detailed budget setting process for 2024/25. It is also recognised that there may be advantages to allocate some or all of any additional income to associated investment / expenditure, which will also need to be considered as part of the detailed budget setting process for 2024/25.

Where possible, the Environmental Health service aims to recover all reasonable costs. In a number of areas, statute dictates whether a fee may or may not be charged and the level of any charge.

The Environmental Health service and their Lead Finance Partner carefully monitor licensing fee income through the financial year.

A full review of all licensing fees and charges including reviewing the amount of officer time taken to process each type of licence has been undertaken and can be found in Appendix B of this report. As part of this process fees have been increased taking into account the whole process with regard to all Licensing functions associated with Animal Licensing.

**Cost of the Environmental Health Service including Licence income is as follows:
*Licensing Committee (Animal Licensing increase in fees)***

The total fee income is based on 2023 with the estimated impact of inflation for 2024.

Item	2023/24	2024/25*	Change
Cost of service	205,980	213,570	7,590
Total Fee Income	10,480	11,000	520
Difference	195,500	202,570	7,070

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	It is important that fees are set by the correct decision making arm of the Council. Discussions between the Assistant Director for Housing and Environmental and Governance have recently taken place to ensure the service is fully aware of these requirements. The Monitoring Officer is satisfied that suitable assurances have been given and improvements identified.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

The report sets out the proposed fees and charges currently being charged and those to be set from April 2024 and invites the Committee to consider approving them.

ASSOCIATED RISKS AND MITIGATION

If the Committee determined that no increases in fees are appropriate, this could place a financial burden on licensing budgets that may require support from the General Fund. This in turn may mean that other Teams or Services see their budgets reduced.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The following Council Units or Officers and/or other organisations have been consulted in preparing this report:

Assistant Director (Governance)
Assistant Director (Finance & IT)

EQUALITIES

There are no direct equality implications. The fees are calculated on a cost recovery basis and will not disproportionately affect those with a protected characteristic.

An Equality Impact Assessment has therefore not been completed as part of this process.

SOCIAL VALUE CONSIDERATIONS

Not Applicable

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030

There are no direct implications for climate change. The Environmental Health service does when appropriate make use of remote digital inspection technology to reduce officer travel and associated carbon emissions.

OTHER RELEVANT IMPLICATIONS	
<p>Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.</p>	
Crime and Disorder	No direct implications for crime and disorder.
Health Inequalities	There are no direct implications for public health although some of the licences these fees relate to are aimed at ensuring public safety.
Area or Ward affected	All wards.
ANY OTHER RELEVANT INFORMATION	
None	

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>Income from fees and charges form an important element of the budget and the financial sustainability of the Council as set out in the long term forecast.</p> <p>Similarly to previous years, Departments have been asked to review their fees and charges on an individual basis as changes may need to be made to meet specific aims or strategic objectives or in some cases in response to external factors such as market forces.</p> <p>The review of fees and charges has been set against the following key principles:</p> <ul style="list-style-type: none"> • general inflationary increases where possible or lower where appropriate / justified • amounts rounded for ease of application, which may result in a slightly above inflation increase. • on a cost recovery basis as necessary • reflect statutory requirements. • increases where market conditions allow • to meet specific priorities or service delivery aims / objectives <p>As highlighted earlier in this report, the Council continues to face a number of significant financial challenges in 2024/25 and beyond. It is therefore important that fees and charges are considered against this context and to maximise income opportunities where possible, albeit whilst balancing the various issues highlighted above.</p> <p>Income budgets included in the detailed estimates will reflect any required changes from the proposed fees and charges set out in this report.</p> <p>Set against the current fees and charges for 2023/24, Appendix A includes the schedule of fees and charges proposed for 2024/25, which have been developed by applying the key principles highlighted above.</p> <p>The Licensing Authority may charge a fee for the issuing or renewal of various licences for which they have a statutory duty to issue. Certain fees are set either by Statute or Regulations, but some fees can be set by Local Authorities to cover the cost of</p>

administration, compliance, and some elements of enforcement; Locally Set Fees. The Council is not able to make a profit from licensing fees and cannot support the General Fund from licensing fees.

Where possible, the Environmental Health service aims to recover operating costs and where the Council has the discretion to set the fees, they are subject to review which can take into account operating costs, inflation, and purchase costs etc.

In proposing the fees for 2024/25 we have been mindful of the current cost of living increases, the continued effect of the economy post pandemic on the licensed trade, and the increases in costs to the Council caused by current inflation rates.

The Essex Environmental Health Managers Group annually runs a bench marking exercise on fees and charges and the service always has due regard to this matrix when setting fees.

The basis in setting such fees is generally to ensure cost recovery. Numerous legal cases over the years have confirmed that licensing fees may not be used to generate a profit for councils, and that fees should be reviewed annually to ensure that a significant surplus is created. Surpluses may be carried forward to future years to be redistributed (within the ring fenced licensing budget), or recouped, as applicable.

Many licensing schemes fall within the definition of 'services', under the EU Services Directive, as incorporated by the Provision of Services Regulations 2009. For such schemes, fees and charges must "be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities". This principle was affirmed by the courts in R (on the application of Hemming (t/a Simply Pleasure Ltd)) v Westminster City Council. Fees must reflect administrative, policy and compliance costs, but cannot include the costs of enforcement action against unlicensed operators.

Details of the proposed fee structure is attached at Appendix A.

Details of the review of licensing fees and charges can be found at Appendix B of this report.

A full review of all licensing fees and charges including reviewing the amount of officer time taken to process each type of licence has been undertaken and can be found in Appendix B of this report. As part of this process fees have been increased taking into account the whole process with regard to all Licensing functions associated with Animal Licensing and Beauty Treatment Licensing.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.

The Licensing & Registration Committee previously agreed the proposed Fees & Charges for 2023/24 on the 8th March 2023

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Attached – Detailed fees and charges 2024/25 for Operations & Delivery / Housing & Environment

Appendix A – List of current fees and proposed increases

Appendix B - Details of the review of licensing fees and charges

REPORT CONTACT OFFICER(S)

Include here the Name, Job Title and Email/Telephone details of the person(s) who wrote the report and who can answer questions on the content.

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Appendix A - List of Current Fees and Proposed Increases

	A	B
	VAT is not applicable	
	2023/24	2024/25
LICENSING AND REGISTRATION		
Annual Fees:	£	£
Hiring Out Horses		
Hiring out Horses (1-15) – Licence Application Fee	170.00	219.52
Hiring out Horses (1-15) – Grant Fee	85.00	109.76
Hiring out Horses (16+) – Licence Renewal Fee	170.00	256.12
Hiring out Horses (16+) – Grant Renewal Fee	85.00	128.06
Dangerous Wild Animals (Minimum Cost)	255.00	380.00
Boarding Kennels		
Boarding Kennels - Licence Application Fee	144.00	207.32
Boarding Kennels - Grant Fee	70.00	103.66
Boarding Kennels - Licence Renewal Fee	144.00	170.74
Boarding Kennels - Grant Renewal Fee	70.00	85.37
Selling Animals as Pets		
Selling Animals as Pets - Licence Application Fee	144.00	207.33
Selling Animals as Pets - Grant Fee	70.00	103.66
Selling Animals as Pets - Licence Renewal Fee	144.00	176.74
Selling Animals as Pets - Grant Renewal Fee	70.00	88.37
Home Boarding of Dogs		
Home Boarding of Dogs - Licence Application Fee	115.00	158.54
Home Boarding of Dogs - Grant Fee	58.50	79.27
Home Boarding of Dogs - Licence Renewal Fee	115.00	134.16
Home Boarding of Dogs - Grant Renewal Fee	58.50	67.08
Dog Breeders		
Dog Breeding - Licence Application Fee	144.00	207.33
Dog Breeding - Grant Fee	70.00	103.66
Dog Breeding - Licence Renewal Fee	144.00	176.74
Dog Breeding - Grant Renewal Fee	70.00	88.37
Zoos (Minimum Cost - Price on Application)	561.00	671.00
Keeping Animals for Exhibition		
Keeping Animals for Exhibition - Licence Application Fee	144.00	207.33
Keeping Animals for Exhibition - Grant Fee	70.00	103.66
Keeping Animals for Exhibition - Licence Renewal	144.00	182.94
Keeping Animals for Exhibition - Grant Renewal Fee	70.00	91.47
Cat Boarding Establishments		
Cat Boarding Establishments - Licence Application	144.00	207.33
Cat Boarding Establishments - Grant Fee	70.00	103.66
Cat Boarding Establishments - Licence Renewal	144.00	176.74
Cat Boarding Establishments - Grant Renewal Fee	70.00	88.37
<i>...Continued on the next page</i>		

Joint Cat and Dog Boarding		
Combined Cat and Dog Boarding - Licence Application Fee	144.00	256.12
Combined Cat and Dog Boarding - Grant Fee	70.00	128.06
Combined Cat and Dog Boarding - Licence Renewal	144.00	231.72
Combined Cat and Dog Boarding - Grant Renewal Fee	70.00	115.86
Dog Day Care		
Dog Day Care - Licence Application Fee	144.00	207.33
Dog Day Care - Grant Fee	70.00	103.66
Dog Day Care - Licence Renewal Fee	144.00	176.74
Dog Day Care - Grant Renewal Fee	70.00	88.37
Home Boarding Arranger Service		
Home Boarding Arranger - Licence Application Fee	115.00	256.11
Home Boarding Host (New) - (Fee per Host)	58.50	73.17
Home Boarding Arranger - Licence Renewal Fee	45.00	134.16
Home Boarding Host - Renewal (Fee per Host)	25.00	67.08
Additional Licensable Activity		
Additional Licensable Activity Licence Application Fee	80.00	121.96
Additional Licensable Activity Grant Fee	40.00	60.98
Variation to Licence	95.00	109.76
Re-evaluating Risk Rating	120.00	109.76
Transfer Due to Death	75.00	86.00
Variation to Licence - Additional Horses	NEW	35.00
Acupuncturist	138.00	140.40
Tattooist / Skin Piercing	194.00	201.76
Electrolysis	138.00	140.40
Ear Piercing	138.00	140.40
Amendment to Acupuncturist, Tattooist, Skin Piercing, Electrolysis or Ear Piercing Licence	97.00	100.88
The following conditions apply:		
a) Hiring out of Horses and Dangerous Wild Animals are inspected by a vet.		
b) New Dog Breeding establishments are inspected by a vet		
c) All other establishments inspected by a vet where necessary.		
d) Where veterinary inspections are deemed necessary, all costs will be charged to the Licence Holder		
These Fees and Charges are determined on the basis of cost recovery.		

Appendix B- Review of Animal Licensing Fees & Charges

Activity	Review Application Form & Book	Average Travel Time	Inspection Visit	Follow Up Including Procedures	Licence Admin	Average Travel Interim	Interim Inspection	Follow Up To Interim	No. Minutes	No. Hours	Cost
Hiring out Horses - 1-15 horses (New)	90	40	240	300	150	40	180	60	1100	18.33	329.28
Hiring out Horses - 16 + horses (New)	90	40	330	300	180	40	240	60	1280	21.33	384.17
Hiring out Horses - 1-15 horses (renewal)	15	40	240	180	90	40	180	60	845	14.08	256.11
Hiring out Horses - 16 + horses (renewal)	15	40	330	180	120	40	240	60	1025	17.08	310.99
Dog Boarding - (New)	90	40	240	240	120	40	180	60	1010	16.83	310.99
Dog Boarding - (Renewal)	15	40	240	180	90	40	180	60	845	14.08	265.11
Cat Boarding - (New)	90	40	240	240	120	40	180	60	1010	16.83	310.99
Cat Boarding - (Renewal)	15	40	240	180	90	40	180	60	845	14.08	265.11
Combined Dog and cat Boarding (New)	90	40	330	330	120	40	240	90	1280	21.33	384.17
Combined Dog and cat Boarding (Renewal)	15	40	330	240	120	40	240	90	1115	18.58	347.58
Home Boarding (New)	90	40	180	180	90	40	120	60	800	13.33	237.82
Home Boarding (Renewal)	15	40	180	120	60	40	120	60	635	10.58	201.23
Home Boarding Arranger (New)	90	40	180	180	120	40	120	60	830	13.83	256.11
Home boarding host (New) (Fee per host)		40	90	30	0	40	60	0	260	4.33	73.17
Home Boarding Arranger (Renewal)	15	40	180	120	90	40	120	60	665	11.08	134.16
Home boarding host (Renewal) (Fee per host)		40	90	30	0	40	60	0	260	4.33	67.08
Dog Day Care (New)	90	40	240	240	120	40	180	60	1010	16.83	310.99
Dog Day Care (Renewal)	15	40	240	180	90	40	180	60	845	14.08	265.11
Exhibiting Animals (New)	90	40	240	240	120	40	210	60	1040	17.33	310.99
Exhibiting Animals (Renewal)	15	40	240	180	90	40	210	60	875	14.58	274.40
Selling animals as pets (New)	90	40	240	240	120	40	180	60	1010	16.83	310.99
Selling Animals as Pets (Renewal)	15	40	240	180	90	40	180	60	845	14.08	265.11
Dog breeding (New)	90	40	240	240	120	40	180	60	1010	16.83	310.99
Dog breeding (Renewal)	15	40	240	180	90	40	180	60	845	14.08	265.11
Additional Licensable Activity (New)	15	0	180	180	60	0	120	60	600	10.00	182.94
Variation of Licence	60	40	120	60	60		0	0	340	5.67	109.76
Re-evaluation of Risk Rating Score	60	40	120	60	60		0	0	340	5.67	109.76
Variation of Licence - Additional Horses											36.40
Transfer due to death											89.44

Dangerous Wild Animals Licence From £380.00 – Fees based on Cost Recovery (**Minimum Cost – Accurate price on application**)
 Zoo Licence From £671.00 – Fees based on Cost Recovery (**Minimum Cost – Accurate price on application**)

The following conditions apply:

- a) All licence applications for Hiring out Horses and Dangerous Wild Animals are inspected by a vet

- b) All new dog breeding licence applications are inspected by a vet
- c) All other establishments are inspected by a vet where necessary
- d) All vets fees will be payable by the licence applicant and are charged on a cost recovery basis.