

LICENSING & REGISTRATION COMMITTEE

20 JANUARY 2025

REPORT OF THE ASSISTANT DIRECTOR FOR HOUSING & ENVIRONMENT

A.1 OPERATIONS & DELIVERY / HOUSING & ENVIRONMENT - PROPOSED FEES AND CHARGES FOR ANIMAL LICENSING & BEAUTY TREATMENT LICENSING 2025/26

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the Licensing & Registration Committee's concurrence to the proposed schedule of fees and charges 2025/26 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 2025 (or as soon as possible thereafter taking account of legislative requirements).

EXECUTIVE SUMMARY

- This report sets out the proposed fees and charges for 2025/26 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 2025/26 that will be considered by Cabinet / Full Council next year.
- In respect of Full Council next year, these individual decisions agreeing fees and charges will be collated and presented as part of the overall budget setting process for

2025/26.

- 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 2025.
- 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 2025/26 along with the fees and charges for 2024/25 are set out within Appendix A to this report.

RECOMMENDATION(S)

That the Schedule of Fees and Charges 2025/26 for Operations & Delivery / Housing & Environment, as set out in Appendix A be agreed as follows namely that:-

- 1) the current fees and charges in place since April 2024 as set out in column A of Appendix A be noted;**
- 2) the proposed fees and charges for 2025/26, as set out in column B of Appendix A be approved with effect from 1 April 2025; and**
- 3) the Assistant Director for Housing & Environment be authorised to publish the Animal Licensing 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 2025/26.

ALTERNATIVE OPTIONS CONSIDERED

Please see the considerations / reasons behind the proposed fees and charges later in this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES			
<p>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 where maximising income, including income raised from fees and charges, will continue to be an important element of this approach.</p>			
OUTCOME OF CONSULTATION AND ENGAGEMENT			
<p>Councillor Adrian Smith, Portfolio Holder for these service areas has been consulted and has agreed with the proposed increase in fees and charges.</p>			
LEGAL REQUIREMENTS (including legislation & constitutional powers)			
<p>Is the recommendation a Key Decision (see the criteria stated here)</p>	<p>No</p>	<p>If Yes, indicate which by which criteria it is a Key Decision</p>	<p><input type="checkbox"/> Significant effect on two or more wards</p> <p><input type="checkbox"/> Involves £100,000 expenditure/income</p> <p><input type="checkbox"/> Is otherwise significant for the service budget</p>
		<p>And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)</p>	<p>N/A</p>
<p>These decisions are to record the Schedule of Fees and Charges for Executive functions only.</p>			
<p>The arrangements for setting and agreeing a budget and for the setting and collection of council tax are defined in the Local Government Finance Act 1992. The previous legislation defining the</p>			

arrangements for charging, collecting and pooling of Business Rates was contained within the Local Government Finance Act 1988. These have both been amended as appropriate to reflect the introduction of the Local Government Finance Act 2012.

The general power to charge is set out in the Local Authorities (Goods and Services) Act 1970 and the Local Government Act 2003 – Section 93 respectively. The latter also requires that charges for discretionary services should be on a cost recovery basis. Trading powers can only be exercised through a separate company and are not relied upon for the purposes of this report.

Under Schedule 3 of the Council's Constitution - Responsibility For Executive Functions - Para 4.4: Delegation of Executive Functions to Officers - General Responsibilities Delegated To Officers 4.4.1 (8) Part 3.45 of the Council's Constitution, all Assistant Directors, in consultation with the relevant Portfolio Holder, Management Team Member and the Director (Finance & IT), are authorised to decide the level of the annual discretionary fees and charges for their service (including any in-year changes that may be required) for inclusion within the Council's corporate schedule of fees and charges. Following the above consultation, an Officer decision must be published.

Under Para 4.4.1 (8) Part 3.4 of the Council's Constitution, all Assistant Directors, in consultation with the relevant Portfolio Holder (for executive functions), Management Team Member and the Assistant Director (Finance & IT), are authorised to decide the level of the annual discretionary fees and charges for their service (including any in-year changes that may be required) for inclusion within the Council's corporate schedule of fees and charges. Following the above consultation, an Officer decision must be published.

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.

Fee and Charge	Legislative Power Being Relied Upon
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 Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:

Reports have been seen by the Monitoring Officer.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

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 2025/26, 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). Although set against the current inflationary environment, 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 2025/26. 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 2025/26.

A summary of the main changes proposed are as follows:

- Generally, overall, we have applied a 2.3% inflationary increase to the fees and charges, as most of the fees relate to commercial activities and not the delivery of direct services to individuals. This increase reflects the estimated 2.3% published CPI figure for April 2025.

The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:

Although there are no further comments over and above those set out elsewhere in the report, it is important to highlight that the demand / volumes used to calculate any estimated total income figures included within this report are based on those held by the Service. The estimated additional income highlighted above will be incorporated within the budget proposals for 2025/26 as necessary.

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.	Please see relevant comments elsewhere in this report. It is important that fees are set by the correct decision-making arm of the Council. Discussions between the Assistant Director
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks.	

<p>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.</p>	<p>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.</p>
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MILESTONES AND DELIVERY

Fees and Charges for 2025/26 form part of the wider budget setting process, which culminates in the detailed estimates being presented to Full Council in February 2025. Fees and Charges must therefore be approved in advance of this date.

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

There is a risk that businesses will chose not to pay the fees. With payment of the fees being a requirement for obtaining the service or statutory licence required to run their business it is not anticipated that many will take this route.

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.

EQUALITY IMPLICATIONS

Fees will apply equally to all businesses in accordance with the type of activity the fee is levied for.

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.

SOCIAL VALUE CONSIDERATIONS

The charging of fees enables the Council to undertake the statutory function for which the fee relates. Overall, the service seeks to improve the economic, social and environmental wellbeing of the area through the work undertaken.

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

The proposed decision is neutral in relation to the Council’s emissions ambitions.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	The changes introduced do not have implications on these considerations and apply equally to transactions irrespective of the area or ward in which the matter is located.
Health Inequalities	
Area or Ward affected	

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 highlighted earlier.</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 2025/26 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>

Income budgets included in the detailed estimates will reflect any required changes from the proposed fees and charges set out in this report.

Set against the current fees and charges for 2024/25, **Appendix A** includes the schedule of fees and charges proposed for 2025/26, which have been developed by applying the key principles highlighted above.

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 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 2025/26 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.

Housing & Environment – Environmental Health Statutory Functions - PROPOSED FEES AND CHARGES 2025/26

Set against the current fees and charges for 2024/25, **Appendix A** includes the schedule of fees and charges proposed for 2025/26, which have been developed by applying the key principles highlighted above.

In finalising the proposed fees and charges for 2025/26, the table below sets out a summary of the associated review:

As part of this review, a comparison of licencing fees was undertaken with other Councils in Essex using benchmarking data. In general, we have applied an inflationary increase of 2.3%.

Environmental Health – Fees & Charges for Licensing as performed by the Service

Element of This Year’s Review	Comments
1. Background to the annual review process and reasoning behind the fees and charges proposed.	
	These are statutory fees, so the only consideration is cost recovery.
2. Is the Associated Service Subsidised in 2024/25. (i.e. is there a budgeted deficit for the service the fee and charge relates to)	
Yes	

3. Expected impact of the proposed fees and charges on the budgeted income position.

Increase of £210.

4. Is it proposed to use of any additional income raised?

[Please set out if any of the additional income highlighted above is proposed on being spent to offset any cost pressures e.g. repairs]

No. Any surplus accrued must be offset against the following years Fees & Charges. Local Authorities are not allowed to make a profit from their Licensing functions.

5. Impact on the Net Budget

2025/26 budget assumes a 5% uplift for salaries.

Budget Line	2024/25	2025/26
Expenditure	£162,770	£170,910
Income	£10,480	£10,690
Net Position	£152,290	£160,220

6. Other important issues to highlight.

PREVIOUS RELEVANT DECISIONS

Decision of the Licensing & Registration Committee to accept Fees & Charges for 2024/25 – 31st January 2024

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Attached – Detailed fees and charges 2025/26 for Housing & Environment-

Environmental Health statutory functions.

REPORT CONTACT OFFICER(S)

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A.1 Appendix A - List of Current Fees and Proposed Increases

VAT is not applicable	A	B
LICENSING AND REGISTRATION	2024/25	2025/26
Annual Fees:	£	£
Hiring Out Horses		
Hiring out Horses (1-15) – Licence Application Fee	219.52	224.57
Hiring out Horses (1-15) – Grant Fee	109.76	112.28
Hiring out Horses (16+) – Licence Renewal Fee	256.12	262.02
Hiring out Horses (16+) – Grant Renewal Fee	85.00	262.02
Dangerous Wild Animals (Minimum Cost)	380.00	388.74
Boarding Kennels		
Boarding Kennels - Licence Application Fee	207.32	212.09
Boarding Kennels - Grant Fee	103.66	106.44
Boarding Kennels - Licence Renewal Fee	170.74	174.67
Boarding Kennels - Grant Renewal Fee	85.37	87.33
Selling Animals as Pets		
Selling Animals as Pets - Licence Application Fee	207.33	212.10
Selling Animals as Pets - Grant Fee	103.66	106.04
Selling Animals as Pets - Licence Renewal Fee	176.74	180.81
Selling Animals as Pets - Grant Renewal Fee	88.37	90.40
Home Boarding of Dogs		
Home Boarding of Dogs - Licence Application Fee	158.54	162.19
Home Boarding of Dogs - Grant Fee	79.27	81.09
Home Boarding of Dogs - Licence Renewal Fee	134.16	137.25
Home Boarding of Dogs - Grant Renewal Fee	67.08	68.62
Dog Breeders		
Dog Breeding - Licence Application Fee	207.33	212.10
Dog Breeding - Grant Fee	103.66	106.04
Dog Breeding - Licence Renewal Fee	176.74	180.81

Dog Breeding - Grant Renewal Fee	88.37	90.40
Zoos (Minimum Cost - Price on Application)	671.00	686.43
Keeping Animals for Exhibition		
Keeping Animals for Exhibition - Licence Application Fee	207.33	212.10
Keeping Animals for Exhibition - Grant Fee	103.66	103.66
Keeping Animals for Exhibition - Licence Renewal	182.94	187.15
Keeping Animals for Exhibition - Grant Renewal Fee	91.47	93.57
Cat Boarding Establishments		
Cat Boarding Establishments - Licence Application	207.33	212.10
Cat Boarding Establishments - Grant Fee	103.66	106.04
Cat Boarding Establishments - Licence Renewal	176.74	180.81
Cat Boarding Establishments - Grant Renewal Fee	88.37	90.40

Joint Cat and Dog Boarding		
Combined Cat and Dog Boarding - Licence Application Fee	256.12	262.01
Combined Cat and Dog Boarding - Grant Fee	128.06	131.01
Combined Cat and Dog Boarding - Licence Renewal	231.72	237.05
Combined Cat and Dog Boarding - Grant Renewal Fee	115.86	118.52
Dog Day Care		
Dog Day Care - Licence Application Fee	207.33	212.10
Dog Day Care - Grant Fee	103.66	106.04
Dog Day Care - Licence Renewal Fee	176.74	180.81
Dog Day Care - Grant Renewal Fee	88.37	90.40
Home Boarding Arranger Service		
Home Boarding Arranger - Licence Application Fee	256.11	262.01
Home Boarding Host (New) - (Fee per Host)	73.17	74.85
Home Boarding Arranger - Licence Renewal Fee	134.16	137.25
Home Boarding Host - Renewal (Fee per Host)	67.08	68.62
Additional Licensable Activity		

Additional Licensable Activity Licence Application Fee	121.96	124.77
Additional Licensable Activity Grant Fee	60.98	62.38
Variation to Licence	109.76	112.28
Re-evaluating Risk Rating	109.76	112.28
Transfer Due to Death	86.00	87.98
Variation to Licence - Additional Horses	35.00	35.80
Acupuncturist	140.40	143.63
Tattooist / Skin Piercing	201.76	206.40
Electrolysis	140.40	143.63
Ear Piercing	140.40	143.63
Amendment to Acupuncturist, Tattooist, Skin Piercing, Electrolysis or Ear-Piercing Licence	100.88	103.20
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 based on cost recovery.		