

ANIMAL WELFARE LICENSING FEE STRUCTURE

Summary

The introduction of the new licensing regime required a new fee structure to be set in October 2018. Since then there has been no change to the existing fee structure. A re calculation of fees has been carried out, taking into account actual figures over the preceding 3 years.

Recommendation

Consider revising the current fee levels to ensure cost recovery for the service provided, having regard to market conditions and the Council's policy framework.

Delegation

On 2nd October 2018, Cabinet delegated authority to vary charges as follows -

'The Council has delegated authority to the Executive Director of the appropriate services (in consultation with the relevant portfolio holder and the Leader) to vary charges having regard to market conditions and the Council's policy framework.'

Process

The 2018 regulations introduced the ability for licenses to last up to 3 years based on the star rating of the premises. The star rating/duration of a licence can only be assessed upon initial inspection of the premises, for which an application fee is payable. Once a premises has been star rated, the duration of the licence will be known and the cost of on-going compliance and enforcement, combined with additional inspection costs, is charged separately.

Where the 2018 regulations require inspection of a premises by a veterinarian, the full cost of that inspection is payable by the premises licence holder/applicant in addition to the figures in the table below.

A re-calculation of fees has been carried out, taking into account actual timings and costs over the preceding 3 year period.

Legislation/Regulations

Section 13 of The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 provides that a local authority may charge such fees as it considers necessary for—

- (1)
 - (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 compliance with regulation 29.*
- (2) *The fee charged for the consideration of an application for the grant, renewal or variation of a licence and for any inspection relating to that consideration must not exceed the reasonable costs of that consideration and related inspection.*

General fee setting principles are set out within 'Animal Welfare Licence Fees – A Practical Guide to Fee Setting (Non Statutory Guidance) Feb 2022' –

The important underlying principles when looking at fee setting are that Local Authorities should

1. *Recover any reasonable costs of administering and enforcing each licence,*
2. *Charge separately for application processing and enforcement*
3. *Continually seek service improvements to help reduce costs for businesses*
4. *Use evidence based data wherever possible as the basis of their fee charges, and retain this information for the purposes of transparency*

Revised Fees

The new fee table below sets out the recalculated costs of the service, based on actual data provided over a 3 year period under the new animal welfare licensing regime. Current costs are shown in brackets below each fee and increase amounts are in red, reductions in blue.

Licensable Activity	Application fee		Inspection re-rating & variation fee	Compliance/Enforcement fee (includes additional inspection)			Copy of Licence
	New	Renewal		1 yr	2 yr	3 yr	
Boarding – Cats, Dogs, Home & Day Care	£157.00 (£135.00) ↑ £22.00	£142.00 (£100.00) ↑ 42.00	£150.00 (£110.00) ↑ £40.00	£179.00 (£160.00) ↑ £19.00	£256.00 (£210.00) ↑ £46.00	£333.00 (£260.00) ↑ £73.00	£10.50 (£10.50)
Boarding as additional activity (same)	£40.00	£40.00	£40.00	£50.00	£60.00	£70.00	
Selling animals as pets	£172.00 (£135.00) ↑ £37.00	£157.00 (£100.00) ↑ £57.00	£160.00 (£110.00) ↑ £50.00	£186.00 (165.00) ↑ £21.00	£265.00 (£220.00) ↑ £45.00	£344.00 (£270.00) ↑ £74.00	£10.50 (£10.50)
Pets as additional activity (same)	£40.00	£40.00	£40.00	£54.00	£68.00	£82.00	
Horse Riding	£180.00 (£175.00) ↑ £5.00	£162.00 (£135.00) ↑ £27.00	£160.00 (£150.00) ↑ £10.00	£207.00 (£215.00) ↓ £8.00	£295.00 (£280.00) ↑ £15.00	£383.00 (£350.00) ↑ £33.00	£10.50 (£10.50)
Riding as additional activity (same)	£50.00	£50.00	£50.00	£78.00	£106.00	£134.00	
Dog Breeding	£175.00 (£175.00)	£147.00 (£120.00) ↑ £27.00	£160.00 (£150.00) ↑ £10.00	£194.00 (£210.00) ↓ £16.00	£284.00 (£270.00) ↑ £14.00	£374.00 (£335.00) ↑ £39.00	£10.50 (£10.50)
Breeding as additional activity (same)	£50.00	£50.00	£50.00	£74.00	£98.00	£122.00	
Exhibition of animals	£365.00 (£230.00) ↑ £135.00	£340.00 (£200.00) ↑ £140.00	£165.00 (£95.00) ↑ £70.00	N/A (3 yr licence – costs already calculated within application fee)			£10.50 (£10.50)

Note: Some premises (minority) are visited by 2 officers but the above fees are for attendance by one officer only.

Breakdown of Costs

A breakdown of costs and the functions included within each cost section can be found below –

Licensable Activity	Boarding -Cats, Dogs, Home, Daycare			Selling animals as Pets			Horse Riding			Dog Breeding			Exhibition of Animals		
Activity	New	Renewal	Inspection/ re rating	New	Renewal	Inspection/ re rating	New	Renewal	Inspection/ re rating	New	Renewal	Inspection/ re rating	New	Renewal	Inspection/ re rating
Admin	£30.00	£30.00	£10.00	£30.00	£30.00	£10.00	£30.00	£30.00	£10.00	£30.00	£30.00	£10.00	£30.00	£30.00	£10.00
Officer Office	£32.00	£24.00	£10.00	£34.00	£27.00	£10.00	£38.00	£30.00	£10.00	£38.00	£30.00	£10.00	£36.00	£28.00	£10.00
Inspection	£63.00	£56.00	£63.00	£80.00	£72.00	£77.00	£80.00	£70.00	£73.00	£75.00	£55.00	£73.00	£71.50	£56.00	£71.00
Travel	£32.00	£32.00	£32.00	£28.00	£28.00	£28.00	£32.00	£32.00	£32.00	£32.00	£32.00	£32.00	£39.00	£39.00	£39.00
Other			£35.00			£35.00			£35.00			£35.00	£188.50	£187.00	£35.00
Total	£157.00	£142.00	£150.00	£172.00	£157.00	£160.00	£180.00	£162.00	£160.00	£175.00	£147.00	£160.00	£365.00	£340.00	£165.00

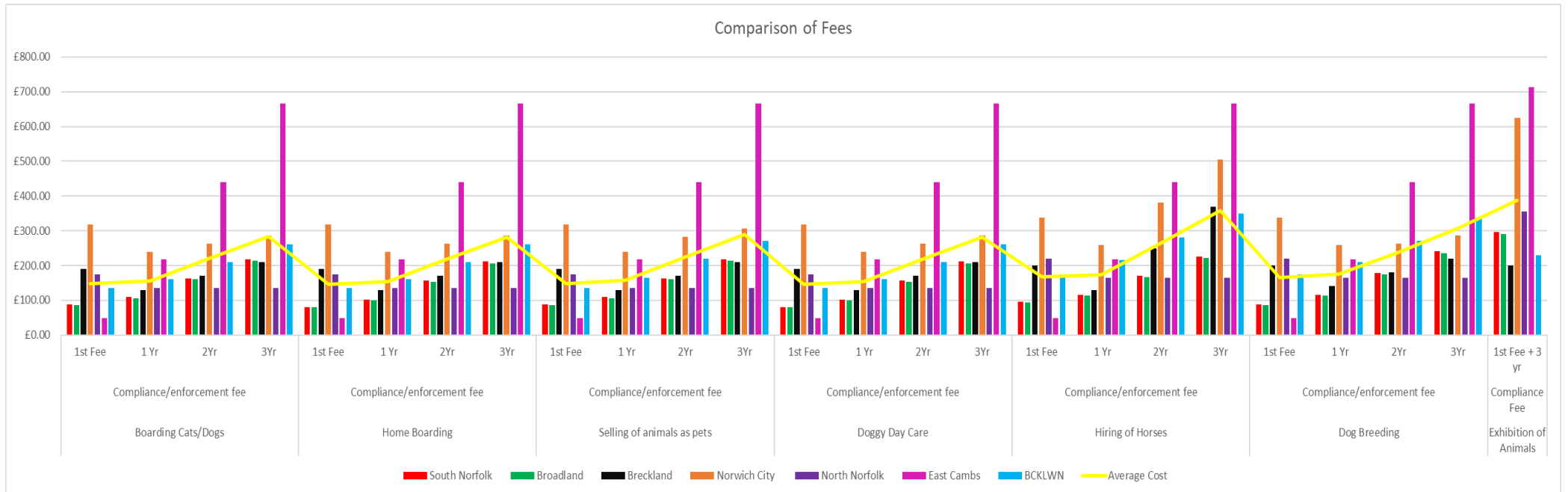
Licensable Activity	Boarding -Cats, Dogs, Home, Daycare			Selling animals as Pets			Horse Riding			Dog Breeding			Exhibition of Animals
Compliance/ enforcement	1 yr	2 yr	3 yr	1 yr	2 yr	3 yr	1 yr	2 yr	3 yr	1 yr	2 yr	3 yr	N/A (3 yr licence – costs already calculated within application fee)
Admin	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	
Officer Office	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	£10.00	
Inspection	£53.00	£53.00	£53.00	£62.00	£62.00	£62.00	£70.00	£70.00	£70.00	£55.00	£55.00	£55.00	
Travel	£32.00	£32.00	£32.00	£28.00	£28.00	£28.00	£32.00	£32.00	£32.00	£32.00	£32.00	£32.00	
Other	£77.00	£154.00	£231.00	£79.00	£158.00	£237.00	£88.00	£176.00	£264.00	£90.00	£180.00	£270.00	
Total	£179.00	£256.00	£333.00	£186.00	£265.00	£344.00	£207.00	£295.00	£383.00	£194.00	£284.00	£374.00	

Admin	Officer Office	Inspection	Travel	Other
<ul style="list-style-type: none"> • Receipt of application • Advice and guidance • Input into system, scan to DMS • Payment processing and receipt • Application front sheet • Letter/email re star rating & requesting fee • Fee receipt • Update system and DMS • Grant licence, copy to DMS 	<ul style="list-style-type: none"> • Receive and check application • Chase outstanding documents • Advice and guidance • Risk rating and star rating • Completion of paperwork • Arrange Vet inspection (where applicable) • Inputting to system • Check licence 	<ul style="list-style-type: none"> • Inspection of premises • Completion of required inspection paperwork 	<ul style="list-style-type: none"> • Time spent travelling to/from premises • Average mileage to/from each premises type 	<ul style="list-style-type: none"> • Ongoing compliance and enforcement/Service requests • Specialist Training • Fee Setting calculation/report • National database • Advice and guidance • Authorisation process/manager decisions • General PPE • Specialist equipment

Fee Levels of Neighboring Authorities

For information purposes, below is a comparison between current BCKLWN fees and those set by neighboring authorities. There have been no increases since these fees were first introduced in October 2018.

	Boarding Cats/Dogs				Home Boarding				Selling of animals as pets				Doggy Day Care				Hiring of Horses				Dog Breeding				Exhibition of Animals
	Compliance/enforcement fee				Compliance/enforcement fee				Compliance/enforcement fee				Compliance/enforcement fee				Compliance/enforcement fee				Compliance/enforcement fee				Compliance Fee
	1st Fee	1 Yr	2Yr	3Yr	1st Fee	1 Yr	2Yr	3Yr	1st Fee	1 Yr	2Yr	3Yr	1st Fee	1 Yr	2Yr	3Yr	1st Fee	1 Yr	2Yr	3Yr	1st Fee	1 Yr	2Yr	3Yr	1st Fee + 3 yr
South Norfolk	£87.80	£108.60	£163.50	£218.50	£80.50	£101.20	£156.10	£211.10	£87.80	£108.60	£163.50	£218.50	£80.50	£101.20	£156.10	£211.10	£95.20	£116.00	£170.90	£225.90	£87.80	£116.00	£178.50	£240.90	£297.30
Broadland	£86.00	£106.00	£160.00	£213.00	£79.00	£99.00	£152.00	£206.00	£86.00	£106.00	£160.00	£213.00	£79.00	£99.00	£152.00	£206.00	£93.00	£113.00	£167.00	£221.00	£86.00	£113.00	£174.00	£235.00	£291.00
Breckland	£190.00	£130.00	£170.00	£210.00	£190.00	£130.00	£170.00	£210.00	£190.00	£130.00	£170.00	£210.00	£190.00	£130.00	£170.00	£210.00	£200.00	£130.00	£250.00	£370.00	£200.00	£140.00	£180.00	£220.00	£200.00
Norwich City	£317.00	£239.00	£263.00	£287.00	£317.00	£239.00	£263.00	£287.00	£317.00	£239.00	£283.00	£307.00	£317.00	£239.00	£263.00	£287.00	£337.00	£259.00	£381.00	£504.00	£337.00	£259.00	£263.00	£287.00	£624.00
North Norfolk	£173.50	£135.00	£135.00	£135.00	£173.50	£135.00	£135.00	£135.00	£173.50	£135.00	£135.00	£135.00	£173.50	£135.00	£135.00	£135.00	£220.00	£165.00	£165.00	£165.00	£220.00	£165.00	£165.00	£165.00	£355.00
East Cambs	£48.00	£218.00	£440.00	£666.00	£48.00	£218.00	£440.00	£666.00	£48.00	£218.00	£440.00	£666.00	£48.00	£218.00	£440.00	£666.00	£48.00	£218.00	£440.00	£666.00	£48.00	£218.00	£440.00	£666.00	£714.00
BCKLWN	£135.00	£160.00	£210.00	£260.00	£135.00	£160.00	£210.00	£260.00	£135.00	£165.00	£220.00	£270.00	£135.00	£160.00	£210.00	£260.00	£175.00	£215.00	£280.00	£350.00	£175.00	£210.00	£270.00	£335.00	£230.00
Average Cost	£148.19	£156.66	£220.21	£284.21	£146.14	£154.60	£218.01	£282.16	£148.19	£157.37	£224.50	£288.50	£146.14	£154.60	£218.01	£282.16	£166.89	£173.71	£264.84	£357.41	£164.83	£174.43	£238.64	£306.99	£387.33



Number of BCKLWN animal welfare licenses

The chart below shows the average number of licenses held for each discipline over the past 3 years, the current number of licenses issued and those pending issue.

Licence Type	Average no. per year on actuals for 3 year period from Oct 2018	Current licences	Pending issue
Boarding - Cats	17	14	2
Boarding - Dogs	13	12	2
Boarding - Home	26	24	2
Boarding – Daycare	1	2	1
Pet Shop	10	9	1
Riding	7	6	6
Dog Breeding	67	73	8
Exhibition	4	5	1
Total	145	145	23

Income from Animal Activities Licensing

The chart below provides the actual income received from animal activities over the previous 3 accounting periods. Projected income for 22/23 with existing and new fee levels has also been estimated as below, based on average numbers of 1,2 and 3 year licenses issued per year, for a period of one year.

Licence Type	April 19 to March 20	April 20 to March 21	April 21 to Feb 22	Projected income with current fee levels April 22 to Mar 23	Projected income with new fee levels April 22 to Mar 23
Boarding - Cats	£2625.00	£690.00	£2690.00	£3460.00	£5148.00
Boarding - Dogs	£2999.00	£2488.00	£4280.50	£2220.00	£3304.00
Boarding - Home	£1297.00	£1485.00	£3880.00	£5270.00	£7837.00
Boarding – Daycare	£2407.00	£210.00	£1315.00	£310.00	£461.00
Pet Shop	£3067.00	£590.00	£1720.00	£1965.00	£2989.00
Riding	£2887.00	£700.00	£1212.00	£1385.00	£1736.00
Dog Breeding	£8145.00	£7575.00	£19125.50	£18,035.00	£22,152.00
Exhibition	£490.00	£490.00	£245.00	£400.00	£680.00

Total	<u>£23917.00</u>	<u>£14228.00</u>	<u>£34468.00</u>	<u>£33,045.00</u>	<u>£44,307.00</u>
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Options

Licensed animal welfare establishments, with the exception of dog breeders, have suffered some hardship as a result of the pandemic. Fewer people required the services of animal boarding establishments and non-essential businesses had to close for prolonged periods which impacted on riding establishments, pet shops and exhibition of animals.

1. No increase to fees
2. Delayed or phased increase to fees
3. Raise fees to ensure full cost recovery of the function - recommended
4. Anything else you wish to consider

Consultation

There appears to be no mechanism to consult the public/trade on animal welfare licence fees. The LGA asked Defra to confirm whether public consultation is a requirement and we have received the following response –

‘Jo has passed this on to me because it appears to be an enquiry about the fees which Local Authorities can charge for licences issued under the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 (LAIA). It is for Local Authorities to decide how to set the fees, using the guidance provided. There is nothing in LAIA stipulating a consultation, but LA’s will have their own processes to follow. So essentially consultation is a matter of local choice.’

No consultation was carried out prior to the current fee levels being set in October 2018 and other authorities (Breckland/East Cambs/North Hertfordshire/Bath & Northeast Somerset) have not consulted.

However, a consultation was carried out with all current licence holders from 12th December 2022 to 27th January 2023 and one response was received.

Background Papers

The Animal Welfare Act 2006.

The Animal Welfare Act 2006 The Animal Welfare (Licensing of Activities Involving

Animals)(England) Regulations 2018.

Animal Welfare Licence Fees – A Practical Guide to Fee Setting (Non Statutory Guidance) Feb 2022

LGA Open for Business guidance on locally set licence fees

Department for Business Innovation & Skills Guidance for Business on the Provision of
Services Regulation October 2009

Department for Business Innovation & Skills Better Regulation Delivery Office Regulators' Code, April 2014