

Agenda



Cabinet Member for Regulatory Functions

Date: Friday, 30 October 2015

Time: Not required

Venue: Not required

To: Councillor R Poole

Item

Wards Affected

1 Dog Control Function: Fees & Charges (Pages 3 - 6)

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Report

Cabinet Member for Regulatory Functions

Part 1

Date: 30 October

Item No: 1

Subject Dog Control Function: Fees and Charges

Purpose To amend the charging structures within the Dog Control Service in relation to charges made for recovery of stray dogs; and charges for the rehoming of dogs

Author Trading Standards Manager

Ward City Wide

Summary The current charging scheme is not at a level that would allow the Dog Control service to fully recover the costs of seizing, providing care and returning stray dogs. Further, the pricing strategy for the sale of dogs is not comparable with other providers in that the price of the dogs is considered too low. The proposed charging scheme would allow the authority to recover its costs in relation to stray dogs and increase income when rehoming dogs for a charge closer to 'market value'.

Proposal That the Cabinet Member formally approves the new fees and charges structure

Action by Head of Law and Regulation

Timetable Immediate

This report was prepared after consultation with:

- Head of Law and Regulation
- Public Protection Manager
- Head of Finance
- Head of People and Business Change

Signed

1 Background

- 1.1 Newport City Council has a statutory duty to provide a stray dogs service. An integral part of this service is the operating of Coronation Kennels at Stephenson Street; where the dogs are homed when seized, and for the seven days we are required to keep them by law; from where the dogs are claimed by owners and from where they are disposed, should they not be claimed.
- 1.2 The council has a key partnership with a dog rescue charity (Four Paws) who remove unclaimed dogs after the seven day statutory period. After this period the council sometimes sells the dogs to residents wishing to provide a home in the local area.
- 1.3 Where a seized dog is claimed, the dog owner is charged a minimum statutory fee (£25) plus an amount of additional money intended to allow the authority to recover the cost of looking after that dog.

2 The Case for Change

- 2.1 The fees and charges levied for dog control activities are reviewed frequently in an effort to ensure full cost recovery and are updated each year.
- 2.2 In a recent review, it became evident that the charges levied for stray dogs are set too low to recover fully the costs to the authority and that the price set for rehoming of dogs is too simplistic and does not reflect current market practices.
- 2.3 In relation to re-homing, it was noted that most other dog re-homing centres had a sliding scale of charges dependant on the age and/or breed of dog, in comparison to the flat rate of £108 we charge currently for all dogs from Newport's Coronation Kennels. It was also noted that the service currently does not actively market its re-homing service. It is therefore a reasonable assumption that our planned increased marketing of the re-homing service would increase the number of dogs re-homed.
- 2.4 In relation to charges for stray dogs claimed by the owner, the service currently uses a sliding scale dependent upon how long the dog had been in the care of the kennels, but analysis revealed there was a 'funding gap' and an alternative structure was required. A benchmarking exercise was undertaken and a study was made of the charges of other Welsh local authorities. The charging structure adopted by Swansea City Council appeared to be the most appropriate for comparison to the stray dogs' activities in Newport and therefore this was used as the template for these current proposals.

3 Proposed New Charging Structure

- 3.1 Proposed re-homing charges :

Category	Current Price	Proposed Price
Puppies up to 1 years old	£108	£160
Dogs aged 1-3 years old	£108	£140
Dogs aged 3-6 years old	£108	£120
Dogs aged 6 years old +	£108	£100

However there will be discretion given to the Kennels Officer on the level of charging if the dog is of particularly good quality (e.g. a desirable breed)

3.2 Proposed stray dogs reclaiming fee:

Category	Current Charge	Proposed Charge
Within 1 Day	£53	£87
2 Days	£64	£100
3 Days	£75	£113
4 Days	£86	£126
5 Days	£97	£139
6 Days	£108	£152
7 Days	£119	£165

Note: It has been calculated that future total expenditure on the kennels (should all planned improvement be implemented) will stand at circa £124,500 per year. On the basis that the kennels looks after an average of 456 dogs each year (based on the actual figures for the last 3 years), then the unit cost for each dog is £273.

4 Budget Effect Estimate

4.1 It is believed the effect of the proposed increases in **re-homing charges** will be as follows:

Situation	Number of Dogs	Mean New Price Per Dog	Full Year Benefit	Budget Variance
No change to number of dogs re-homed	113	£130	£14,690	+£3,455
10% growth	124	£130	£16,120	+£4,885
25% growth	141	£130	£18,330	+£7,095

4.2 It is believed the effect of the proposed increases in **stray dogs reclaiming** will be as follows:

4.3

Situation	Number of Dogs	Average Income Per Dog	Income 2014/15
Current Position	182	£61.41	£11,176.62
Proposed Future Position	182	£95.19	£17,324.58
		Variance on Budget	+£6,147.96

5 Risks

Risk	Impact of Risk if it occurs (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Risk of not changing the fees and charges	H	L	Careful preparation of business case by People Business & Change	Trading Standards Manager
Risk of customer appealing the basis of the amount of the charges	L	L	Business case by People Business & Change based on benchmarking exercise	Trading Standards Manager

6 Links to Council Policies and Priorities

Ensuring that this work is completed as required will support the following Council Policies and Strategies:

- Newport City Council's Corporate Plan "Standing Up for Newport" 2012-2017 (Relevant priorities: "A Greener & Healthier City"; "A Safer City").

7 Options Considered/Available

Option 1 - To approve the increases in fees and charges as set out in paragraph 3 above.

Option 2 - Not to approve the increases in fees and charges set out in paragraph 3 above.

8 Preferred Choice and Reasons

The preferred choice is option 1, as this will mean the full cost for allowing dogs to stray will be paid for by the dog owners, rather than being subsidised by the council budget; and the council will be able to maximise income in relation to selling dogs at a market rate, especially as selling dogs at 'value prices' presents an element of unfair competition with local businesses.

9 Comments of Head of People and Business Change

No comment.

10 Comments of the Monitoring Officer

The Council has a statutory duty under section 149 of the Environmental Protection Act 1990 to collect and detain stray dogs for 7 days, after which the dogs can be sold or otherwise disposed of. If the owner collects any stray dog within the detention period, the Council is only obliged to return the dog if the owner pays all of the expenses incurred by the Council in collecting and detaining the dog, plus any prescribed penalty. The current charges for collection of stray dogs are clearly insufficient to cover the total expenditure incurred by the Council and, therefore, the cost of the service is indirectly being subsidised. The proposed increased scale of charges has been benchmarked against other councils and better reflects the true costs to the Council of delivering these services. Also, the current re-homing charges are based on a flat rate fee regardless of the age or breed of dog. The proposed scale of charges better reflects the true market value of the dogs, although there needs to be a residual discretion to depart from the prescribed fees in exceptional circumstances. Therefore, the proposed fee increases are within the Council's legal powers and are supported.

11 Comments of Chief Financial Officer

The recent review has highlighted that the Dog Control Service are not recovering its costs in relation to seizing and holding of stray dogs, putting unnecessary strain on the budget. In addition, the price set for rehoming of dogs does not reflect current market practices. The proposed tariff charges and pricing structure have been developed to ensure that costs are recovered fully and that income is maximised where possible. This proposal also forms part of a business case which has been submitted as part of the MTFP process for 16/17 as a delegated decision.

12 Background Papers

None.

Dated: 30 October 2015