



## **Statement of Proposal**

# **AMENDMENTS TO THE DOG CONTROL FEES**

**Commencing 1 July 2020**

## 1. Nelson City Council's proposed amendments to the Dog Control Fees

Nelson City Council (**Council**) would like to know what you think of the proposed amendments to the fees relating to the registration and control of dogs.

Council has reviewed these fees and is proposing some changes as described below. In making decisions on this proposal, Council will be taking account of all submissions made.

**The proposed Dog Control Fees are attached to this Statement of Proposal, with the changes underlined. Paper copies of this document are available at the Council's Customer Service Centre and in Nelson libraries.**

## 2. The Proposal

Detailed analysis of the issues and options is provided in section 4 of this proposal. The fees schedule with proposed changes is included in Attachment 1. In summary, it is proposed to:

- a) Delete the good dog owner scheme category (should this be decided through the separate review of the Dog Control Policy and Bylaw) and increase the:
  - standard registration from \$86 to \$95.80 and
  - rural dog registration from \$48 to \$53.50 **or**
- b) Retain the good dog owner scheme category (should this be decided through the separate review of the Dog Control Policy and Bylaw) and increase the:
  - standard registration from \$86 to \$108.50 and
  - good dog owner registration category from \$66.20 to \$84 and
  - rural dog registration from \$48 to \$61 **and**
- c) Increase the afterhours call out fee from \$75 to \$80 **and**
- d) Include the words "Community working dog such as" at the start of the Police, seeing-eye dogs category

## Consideration under the Dog Control Act 1996 and the Local Government Act 2002

This Statement of Proposal to amend the Dog Control fees has been prepared in accordance with the following legislation:

- Dog Control Act 1996, section 37
- Local Government Act 2002 (LGA), sections 83 and 150

Note: Section 37 of the Dog Control Act does not require Council to use the special consultative procedure (SCP) when setting fees for registration and dog control activities, but Council has chosen to use it this year because:

- For some regulatory fees and charges (e.g. Resource Management Act fees and charges and Food Act), they are required to follow the SCP.
- Council is consulting on a variety of fee proposals at the same time this year, some of which require SCP and some which do not and having all proposals follow the same consultation approach (i.e. SCP) is helpful for consistency of timing and process and ease of understanding by the public.

The LGA provides that the special consultative procedure must include:

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- A statement of proposal (and a summary of it if required) being made as widely available as practicable as a basis for consultation section 83(1)(c)). The statement of proposal must include a statement of the reasons for the proposal, an analysis of the reasonably practicable options and any other information the local authority identifies as relevant (section 87(3)).
- An identified consultation period of at least one month during which feedback on the proposal may be provided to Council (section 83(b)(iii)).
- An opportunity for people to present their views to the Council (section 83(d)) and a description of how Council will provide persons interested in the proposal with an opportunity to present their views (section 83(b)(ii)).

### **Special Consultative Procedure**

Outcomes of this special consultative procedure could include:

- Retaining the existing fees and charges
- Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback
- Adopting different fees and charges, based on community feedback

## **3. Criteria for Fixing Fees and Charges**

Section 37(4) of the Dog Control Act requires the Council to have regard to the relative costs of the registration and control of dogs in the various categories set out in section 37(2). Section 37(2) states penalties for late registrations shall not exceed 50% of the registration fee and section 37(8) states any increase in fees can only take effect at the commencement of that year (being 1 July 2020).

In addition, when fixing these fees Council may have regard to any other matters the territorial authority considers relevant.

The Local Government Act enables Council to prescribe fees or charges under other enactments as long as the fees do not recover more than the reasonable costs incurred by the Council for the service for which the fee is charged.

## **4. Issues and Options**

Dog control services are funded mostly by registration fees, dog impounding fees and some minor income from infringement fees and Court awarded costs.

The costs of the dog control services have increased due to an increase in overheads, an increase in the contractor price for dog control services and an increase in legal expenses compared to budgeted costs.

The dog control fees and charges were increased by 1.8% in 2019 and before that were increased by similar amounts reflecting the consumer price (CPI) index increases. For the 2015/16 financial year the fees met 98% of the costs and all costs were met by fees for 2016/17. In 2017/18 the fees met 85% of the costs or 91% of the costs when the extension to the pound is excluded. In 2018/19 the fees met 83% of costs and this year fees are tracking to meet 79% of the costs.

Costs for dog control services are not easily reduced. There are currently three dog control officers, plus management and administration support. There are around 6,000 dogs to register each year, officers investigate approximately 1,700 complaints or service requests (some resulting in dog seizures), issue over 280 infringement notices, provide

information for and appear at prosecution hearings and proactively patrol popular dog exercising areas (averaging 10 hours per week).

#### *Standard registration fee*

The actual staff time to register a dog (in any category) is half an hour to check and update details in the database, process payment and send out a registration tag. There are also large amounts of staff time required to prepare systems, prepare public communications and send letters each year for re-registration. This equates to a total of 0.75 hours of staff time for each registration.

If the fees were set at the actual time taken to perform the registration function the charge would be \$120 (based on an hourly charge out rate of \$160), 40% more than the current charge. The proposal is instead to increase income earned from fees by between 23% and 27%, to ensure most of the Council's costs in providing registration and dog control services are funded by dog owners instead of through rates income.

#### *Registration categories*

Staff time to register a dog is the same for all categories. The Dog Control Act enables the charges to be reduced for working dogs and responsible dog owners anticipating there is an associated reduced level of dog control services required. It actually takes more staff time to administer the good dog owner scheme (an additional cost of \$16,500 each year), and this category is proposed to be deleted in the review of the Dog Control Policy and Bylaw, which was consulted on separately.

It is proposed to increase the rural dog registration fee and the good dog owner scheme (if it is retained) by the same percentage to maintain the same degree of difference that currently exists.

The category for police, seeing-eye and hearing dogs is proposed to be renamed as a community working dog category to be more inclusive of the various types of working dogs providing benefits to the community. The fee is proposed to remain unchanged at \$5.00 which essentially covers the cost of the registration tag.

#### *Registration penalties*

Penalties are set at no more than 50% of the standard registration category in compliance with legislation. The increase in the penalties simply reflects the increase in the registration fee.

#### *After hours call out fee*

The minimum staff time required for a call out is half an hour. The current fee of \$75 is proposed to increase to \$80 to reflect the minimum time of half an hour per call out.

The proposed registration fees in the various categories provide reasonable relativity between the categories consistent with the expectations of section 37(4) of the Dog Control Act.

### **Assessment of options against criteria**

The options are to keep the current fees as they are, increase fees as proposed in Attachment 1, or increase the fees to meet all of the costs of providing the services.

	<b>Reasonable</b>	<b>Relativity of costs</b>
<b>Option 1</b> No changes	Current fees do not fairly cover costs at a rate proportional to the private benefit gained from the services. Current fees do not fully reflect the actual time to carry out the various tasks	The current fees have different fees between categories
<b>Option 2</b> Increase fees as proposed	Increasing fees better reflects the private benefit proportion of the services and better reflects the actual time and costs for the services	Proposed amendments are considered to maintain relativity for those categories that are retained and more fairly represent the actual time to register the dogs
<b>Option 3</b> Increase fees to cover all costs of providing the services	Some services have a wider public benefit so it is not reasonable to apportion this to dog owners alone	Different fees between categories can be retained at the higher level to meet all costs in providing the services

### *Options Analysis*

**Option 1** — While dog owners would not face increased fees, the current fees do not reflect the actual time to perform that activity. In addition the dog owners are not paying a large enough proportion of the costs of the services that have increased. If no changes to the fees are made now there may need to be larger increases in the future.

**Option 2** — Amending the fees as proposed in Attachment 1, improves the proportionality of dog owners covering the cost of services under the Dog Control Act, better reflects the actual time taken to perform tasks and reduces the potential for larger increases in the future. Increasing fees may cause dissatisfaction or difficulty for some dog owners, but the impounding fees and infringement fines help ensure the responsible dog owners are not subsidising the costs of repeat offenders.

**Option 3** — Increasing the fees to cover all the costs of providing the services does not reasonably apportion the services between dog owners and ratepayers when there are services that have wider public benefit (such as the dog education programme). The larger fee increase is likely to cause more dissatisfaction and difficulty for some dog owners.

### *Preferred Option*

**Option 2** — Increase Dog Control fees as proposed in Attachment 1 and outlined in section 2 above.

### *Reasons*

The proposed amendments better cover the actual costs for the service and are a reasonable increase compared to existing fees. Higher increases could be justified but on balance it was not considered fair or reasonable to propose this.

## **Submissions**

Anyone may make a submission about any aspect of the Dog Control fees and any other options that have been considered. Council, in making its decision, will take account of all submissions made.

All submissions, including the name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details be kept private and explain why it is necessary to protect your privacy. Council will not accept any anonymous submissions.

Submissions can be made:

- online at [nelson.govt.nz/council/consultations](https://nelson.govt.nz/council/consultations)
- by post to Dog Control Fees Amendments, PO Box 645, Nelson 7010
- by delivering your submission to Civic House, 110 Trafalgar Street, Nelson.

**Submissions must be received no later than 4pm 17 April 2020.**

Any person who wishes to speak in support of their submission will be given the opportunity to address the Council at a hearing on **19 May 2020**.

## Attachment 1

### Proposed Dog Control Fees for 2020/21 – with the Good Dog Owner Scheme

(all charges include GST)

Registration Fees	Fee \$
Rural dogs (properties of 1 hectare or more)	<del>48.00</del> <u>61.00</u>
Good Dog Owner Scheme	<del>66.20</del> <u>84.00</u>
All other urban dogs	<del>86.00</del> <u>108.50</u>
All dogs classified as dangerous (standard registration fee, plus 50% surcharge as required by statute)	<del>129.00</del> <u>162.75</u>
<u>Community working dog such as</u> Police, Seeing Eye and Hearing Dogs	5.00
<b>A late payment penalty of 50% of the registration shall apply to all registrations remaining unpaid on 1 August of each year and all dogs unregistered after 1 September of each year shall incur a further \$300 infringement fee, plus penalty. Such penalties (set by statute) are to be made clear on the invoice for registration.</b>	
Replacement registration disc	5.00
<b>Registration discounts (applied annually):</b> Neutered dog (proof from vet is required)	-5.00
<b>Impounding Fees (in any 12 month period)</b>	
First Impounding	75.00
Second Impounding	150.00
Third Impounding	225.00
Daily charge (for each day following impounding)	15.00
After hours callout charge (outside normal working hours)	<del>75.00</del> <u>80.00</u>
Install microchip to impounded dogs where required	38.00

**or**

## Proposed Dog Control Fees for 2020/21 – without the Good Dog Owner Scheme

(all charges include GST)

Registration Fees	Fee \$
Rural dogs (properties of 1 hectare or more)	<del>48.00</del> <u>53.50</u>
<del>Good Dog Owner Scheme</del>	<del>66.20</del>
All other urban dogs	<del>86.00</del> <u>95.80</u>
All dogs classified as dangerous (standard registration fee, plus 50% surcharge as required by statute)	<del>129.00</del> <u>143.70</u>
<u>Community working dog such as</u> Police, Seeing Eye and Hearing Dogs	5.00
<b>A late payment penalty of 50% of the registration shall apply to all registrations remaining unpaid on 1 August of each year and all dogs unregistered after 1 September of each year shall incur a further \$300 infringement fee, plus penalty. Such penalties (set by statute) are to be made clear on the invoice for registration.</b>	
Replacement registration disc	5.00
<b>Registration discounts (applied annually):</b> Neutered dog (proof from vet is required)	-5.00
<b>Impounding Fees (in any 12 month period)</b>	
First Impounding	75.00
Second Impounding	150.00
Third Impounding	225.00
Daily charge (for each day following impounding)	15.00
After hours callout charge (outside normal working hours)	<del>75.00</del> <u>80.00</u>
Install microchip to impounded dogs where required	38.00