## **City of London Corporation Committee Report**

Committee(s):	Dated:
Port Health & Environmental Services	25/11/2025
Subject:	Public report:
Heathrow Animal Reception Centre – Annual Review of	For Decision
Fees	For Decision
This proposal:	Providing Excellent Services
delivers Corporate Plan 2024-29 outcomes	Dynamic Economic Growth
provides statutory duties	Statutory duties under the
	Animal Health Act 1981
Does this proposal require extra revenue and/or	No
capital spending?	
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the	n/a
Chamberlain's Department?	11/4
Report of:	Katie Stewart
	Executive Director of
	Environment
Report author:	Susie Pritchard
	Assistant Director Animal
	Health & Welfare

## **Summary**

The City of London Corporation has statutory duties under the Animal Health Act 1981 and related legislation, which are delivered by the Animal Health and Welfare Service (AHWS). Duties include rabies controls for Greater London and protection of animal welfare in transport, which are delivered through the Heathrow Animal Reception Centre (HARC). HARC delivers services to airlines and pet transport agents in order to generate income and offset the cost of statutory obligations.

In addition, the Animal Health Team carry out licensing of activities involving animals across Greater London and the Home Counties. Fees are charged for advice and administration through an annual contract charge, and for individual inspections through listed fees.

Approval is sought for increases of between 5% and 20% to be applied to the Schedule of Charges in respect of services provided at the Heathrow Animal Reception Centre (HARC).

The inspection fees for the Animal Health Team are based on the estimated duration of each type of inspection. The average proposed increase for the forthcoming financial year 2026/27 is 6%.

Approval is also sought to introduce higher fees for services delivered to airlines which do not use HARC for all of their live animal throughput into Heathrow. Airlines which use the alternative Border Control Post (BCP) for pet animal imports, and only use HARC for the species that cannot be handled by this BCP, should be charged at a higher rate for those services. Although these airlines are still using some HARC services, for ease, they will be referred to as "non-HARC airlines" within this report.

## Recommendation(s)

#### Members are asked to:

- 1. Approve the HARC Byelaws presented in appendix 1, with additional fees for non-HARC designated airlines, effective from April 2026. (Option iii)
- 2. Recommend to the Court of Common Council that the approved Byelaws be made, and that the Comptroller and City Solicitor be instructed to seal the Byelaws accordingly.
- 3. Approve the listed fees for licensing services delivered by the Animal Health Team (Appendix 2).

### **Main Report**

#### Background

- 1. The City operates Heathrow Animal Reception Centre (HARC) to fulfil its statutory duties for animal health and welfare in relation to imports into Greater London. The Port Health and Public Protection division recovers its costs for these duties through charges to airlines and agents, which are set through byelaws.
- 2. Further charges are collected for discretionary services that the City must provide at HARC to operate effectively as a Border Control Post (BCP), but which are not strictly required to be carried out by the enforcement authority. Although these fees are not statutory of themselves, because HARC was set up under the Animal Health Act 1981 (and predecessor legislation) the only means it has for levying any charges is through the byelaw procedure. This position was determined following a review of the mechanisms for charging for the service, reported to Port Health and Environmental Services Committee 24 September 2024.
- 3. HARC operates in a commercial environment, competing to deliver airline services with private entities. The charges of the competing BCPs are taken into consideration when setting fees for the year ahead.

- 4. On 19 November 2024 this Committee approved a delegated authority to the Executive Director of Environment to amend the fee structure by up to 20% per annum (but not exceeding the maximum set by this committee). This enables the AHWS to be commercially flexible when negotiating contracts with airlines.
- 5. HARC is competing with a private entity BCP at Heathrow, which provides services only for the easiest and most profitable animal imports such as dogs and cats, birds, reptiles and small mammals. Whereas HARC is designated for all species, the competing BCP is not. Customs rules mandate that all cargo from an airline must be handled by a single Ground Handling Agent. An exception is made for goods which must by law go to a specific control point, such as live animals being taken directly to the BCP. At Heathrow, Customs have also permitted airlines which are allocated to the competing BCP to use HARC for any species which that BCP is not designated for.
- 6. High volume consignments generate greater income and in the case of live animals, it is most commercially viable to deliver services for dogs and cats. Services for aquatics, horses and farm livestock for example, require significant space within the cargo areas of Heathrow and the lower volume of these means that the cost of processing these consignments is not fully recovered under the current fee structure. Instead, the cost is spread across the full range of consignments, this fee structure having been established when HARC was the sole live animal BCP at Heathrow. This means that airlines choosing to use HARC only for aquatics for example, are now effectively being subsidised as the City cannot fully recover the cost of processing these consignments against other live animals imported through that airline.
- 7. The Animal Health Team carry out licensing of activities involving animals across Greater London and the Home Counties, under contract for other authorities. Fees are charged for advice and administration through an annual contract charge, and for individual inspections through listed fees that are reviewed annually.

#### **Current Position**

- 8. It is proposed to introduce higher charges for airlines which do not hold a current Service Level Agreement for the handling of their pet imports. This would allow for improved and fairer cost recovery, and mean that the airlines using the alternative BCP will no longer benefit from below-cost prices when using HARC for more challenging and expensive imports.
- 9. An assessment has been made of the proportion of the HARC building, equipment and staffing costs that are required to process the range of animal cargo imported at Heathrow. The 2024/25 live animal volume has been used to establish the cost recovery price for handling each type of consignment. Price sensitivity can be variable as airline logistics play a significant part in the options available for shippers, and these can change seasonally. The proposed higher fees take into account the requirement for cost recovery, and the likely market response.

#### **Options**

Members are asked to consider the following options:

i) Retain the same schedule of fees for all airlines and retain the pricing within the current byelaws as listed in appendix 1, column A.

Not recommended

ii) Retain the same schedule of fees to be applied to all airlines, and, approve the price increases as listed in appendix 1, column B, as effective from 1<sup>st</sup> April 2026, and recommend to the Court of Common Council that the Byelaws be made, and that the Comptroller and City Solicitor be instructed to seal the Byelaws accordingly.

Not recommended

iii) In addition to the adjusted fees for HARC airlines presented in column B, introduce higher fees for non-HARC airlines, allowing improved cost recovery for those activities and, approve the byelaws as listed in appendix 1, columns B and C as effective from 1<sup>st</sup> April 2026, and recommend to the Court of Common Council that the Byelaws be made, and that the Comptroller and City Solicitor be instructed to seal the Byelaws accordingly.

Recommended

- 10. The Animal Health license inspection fees are also reviewed annually and typically increased to ensure cost recovery of these services. The increases proposed for 2026/27 as presented in appendix 2, predominantly reflect the increase in pay costs for the year ahead.
- 11. Corporate & Strategic Implications The proposals referred to in this report aim to achieve the following Corporate Plan aims of:

Providing Excellent Services

• Protect and promote public, animal, and environmental health (including at our borders) and consumer protection.

Dynamic Economic Growth

- Promote the UK as a place that is open, innovative, and sustainable.
- 12. **Financial implications** The proposal aims to improve the cost recovery on services offered to non-HARC airlines. It is difficult to determine the probable outcome in response to these price changes, but it is considered necessary to

ensure fair cost recovery and remove the incentive for airlines to take advantage of a subsidised rate for more expensive animal imports. In addition, please refer to non-public appendix 3.

- 13. Resource implications None identified.
- 14. Legal implications The City Solicitor has reviewed the statutory obligations and related fees and charges and has advised that there is no legal reason why the fee structure cannot be changed to prevent subsidy and promote fair cost recovery. A new schedule within the byelaws supports cost recovery and is the only means allowable for levying charges.
- 15. **Risk implications** As described, there is a potential for non-HARC airlines to remove their imports and the associated loss of income is detailed in non-public appendix 3.
- 16. Equalities implications None identified following a test of relevance.
- 17. Climate implications None
- 18. Security implications None

#### Conclusion

The annual review of charges has taken into account the competitive position of HARC and price sensitivities of the services provided. The proposed charges for the Animal Health Team take in to account the cost of providing these services. Fee increases will support cost recovery of the service.

#### **Appendices**

- Appendix 1: Additional Byelaws Relating to the Heathrow Animal Reception Centre.
- Appendix 2: 2026/27 fees for Animal Health licence inspection services.
- Appendix 3: Non-Public Financial Implications.

#### **Background Papers**

Heathrow Animal Reception Centre – Byelaws and Fee Structure Review - Port Health & Environmental Services – 24/09/2024

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# ADDITIONAL BYELAWS RELATING TO THE HEATHROW ANIMAL RECEPTION CENTRE Effective from 1 April 2026

(1 April 2025 rates shown in brackets)

**BYELAWS** made by the Mayor and Commonalty and Citizens of the City of London acting by the Mayor, Alderman and Commons of the said City in Common Council assembled in pursuance of Sections 42 and 43 of the Markets and Fair Clauses Act 1847 as applied by Section 54 of the Animal Health Act 1981 with respect to the Heathrow Animal Reception Centre, London ("HARC")

In these Bylaws unless the context otherwise required "the Principal Byelaws" means the byelaws made by the Mayor and Commonalty and Citizens of the City of London acting by the Mayor, Aldermen and Commons of the said City in Common Counsil assembled on 1<sup>st</sup> July 1976 and confirmed by the Minister of Agriculture, Fisheries and Food of 12<sup>th</sup> November 1976.

From the date of coming into operation of these Byelaws the Additional Bylaws made by the Mayor and Commonalty and Citizens of the City of London acting by the Mayor, Aldermen and Commons of the said City in Common Council assembled on 7 March 2024 (and sealed on 19 August 2024) shall be repealed and the following Schedule shall be substituted for the schedule to the Principal Byelaws:-

#### **SCHEDULE**

This schedule sets out the maximum fees that may be charged for the items specified herein. Under Section 36 of the Markets and Fairs Clauses Act 1847 the undertakers may from time to time change the amounts charged provided that any change does not result in a charge exceeding the amounts set out in this Schedule.

The prices listed in column A are the prices applied from 1<sup>st</sup> April 2025 which are superseded by these Additional Byelaws which come into effect 1<sup>st</sup> April 2026.

The prices listed in column B are applicable to HARC Designated Airlines. These are airlines which are Customs designated to a City of London Corporation Internal Temporary Storage Facility.

The prices listed in column C are applicable to all other airlines.

Description		A	В	C	
		1st April 2025	Fee effective	Fee effective	
		fee	from	from	
			1 <sup>st</sup> April 2026	1 <sup>st</sup> April 2026	
			for	for	
			HARC	Non-HARC	
			designated	designated	
			airlines	airlines	
	PART 1				
	ANIMALS CHARGE PER CONSIGNI				
Pets	Pets 1.0 Dogs, Cats and Ferrets under the Pet Travel Scheme Non-commercial Movement of Pet Animals Order 2011				
	In order to meet the "pre-check" requirements (where applicable) all documentation must be submitted to the HARC no later				
	than 72 hours prior to the animal's departure.				
	a) If a documentation 'pre-check' has been completed and				
	approved by HARC, the consignment will be charged at the	203	213	213	
	minimum charge listed for the first 24 hours.				
	b) PETS that have NOT received a documentation 'pre-check'				
	or arrive against the advice of HARC, will be charged as	279	293	293	
	listed for the first 24 hours.				
Assistance	PETS checked at aircraft (including Assistance Dogs)				
Dogs and	If a documentation 'pre-check' has been completed and approved by HARC, Assistance Animals and chartered flight				
Chartered	attendance will be charged at:				
Flight	c) minimum consignment charge plus 0.5 administration fee	447	462	N/A	
attendance	plus a 1 hour collection charge for the first animal.	TT /	702	14/71	
	c) Assistance Animals that have NOT received a documentation				
	'pre-check' or arrive against the advice of HARC, will be				
	charged a minimum consignment charge plus 1x	514	593	N/A	
	administration fee plus a 1-hour collection charge for the first				
	animal.				
	d) Where any consignment under a) to d) above consists of more	52	55	N/A	
	than one animal, a fee per animal thereafter applies as listed.	34	33	11/1	

Commercial	1.1 Dogs, Cats and Ferrets arriving as commercial consignments/under licence.				
dogs and cats	a) Minimum charge for the first 12 hours as listed.	203	213	213	
	b) Where the consignment consists of more than one animal, a fee per animal thereafter applies as listed	52	55	55	
Other mammals	7/76		237	339	
Birds	Transit commercial bird consignments should be booked through to ha	ve a maximum sta	ay at Heathrow of 2	4 hours.	
	3. Commercial birds minimum charge per consignment for up to 24	226	237	339	
	hours	0.0	0.4	1.00	
	a) Commercial birds, per box for up to 24 hours	80	84	120	
	b) Birds of prey, per bird for up to 24 hours	22	23	33	
	Pet birds, per box for up to 24 hours (no minimum charge)		84	120	
Reptiles and	Transit commercial reptile consignments should be booked through to have a maximum stay at Heathrow of 24 hours.				
Amphibians	4. Reptiles and amphibians per consignment for up to 24 hours	226	226	339	
Aquatics	5. Fish/Fish Eggs/Aquatic Invertebrates/Invertebrates/Semen/Bird	44	49	88	
	Eggs Minimum charge per consignment	77	77	00	
	Charge per box	2.49	2.74	4.98	
Horses and	6. Horses/Farm livestock/other large species - Use of Large Animal				
Farm	Facility (per pallet)	484	581	968	
Livestock					

PART 2 CHARGES FOR ANCILLIARY SERVICES			
7. Processing and handling fee for all shipments.	VICES 22	26	33
8. a) Collection and delivery of animals to and from the Animal Reception Centre by an Animal Reception Centre member of staff - per hour, or	197	207	296
b) per consignment if no extra waiting time.	99	104	148
9. Security - A charge will be made in respect of any consignment, which requires security screening prior to leaving the ARC.	28	31	42
10. Not on Board - Requests for collection of animals from aircraft, which are subsequently not found on board will be charged at normal collection charge	99	99	148
11 a) Destruction including disposal of livestock or goods. Minimum Charge.	119	131	197
11 b) Destruction including disposal of livestock or goods – fee per kilogram.	55	58	83
11 c) Travelling containers are the owner's property and should be collected with the animal. Disposal fee if container not removed from site.	23	28	28
12. Cleansing and disinfecting aircraft, animal holding facilities, vehicles, loose boxes etc.(including disposal of special waste). Fee per hour.	442	530	663
13. Additional boarding of non-commercial dogs, cats and ferrets - per consignment per 24 hours or part thereof.	52	55	55
14. Additional boarding of commercial dogs, cats and ferrets - per animal per 12 hours or part thereof.	52	55	55
15. Additional boarding of other mammals - per consignment per 12 hours or part thereof.	52	55	78
16. Additional boarding of birds - per box per 24 hours or part thereof.	80	92	138
17. Bird Quarantine for up to 30 days, plus veterinary and laboratory testing fees if applicable.  Fees are dependent on size of consignment and husbandry requirements.  Faecal Sampling and Bird Autopsy costs as per current Animal & Plant Health Agency rates.	455 – 1,554	500-1,600	N/A
18. Additional boarding of reptiles and amphibians - per consignment per 24 hours or part thereof. Additional hourly handling charge may be applicable.	226	226	339

19. Additional handling functions per hour for consignments requiring special	103	134	201
handling/loading/transfer/repackaging, plus cost of materials.	103	134	201
20. Additional administrative functions including corrective actions and pre-export	103	103	103
compliance checks, per hour.	105	103	103
21. Modification of containers to International Air Travel Association (IATA)			
standards: -	55	55	83
a) Space Bars/Battens - per box			
b) Air Holes or water pots - per box	25	25	38
c) If these services are carried out on the airport an additional fee applies for	99	99	148
'delivery' of the service.	77	99	140
22. Identification of species for DEFRA/HM Revenue and Customs/Border Force - per	184	184	N/A
hour.	104	104	1 <b>N</b> /A
23. Assisting on off airport operations - per hour	103	103	N/A

LEVEL OF CHARGES (proposed) 1st April 2026 - 31st March 2027 All fees are subject to VAT at the current rate		
Activity	Visit type	TOTAL (£) (exc. VAT)
Dog kennel boarding / cat boarding	New Licence application or 1st inspection by CoLC - combined (dogs & cats)	518
	Renewal Licence Inspection - combined (dogs & cats)  New Licence application or 1st inspection by CoLC - single species (dog	444
	Renewal Licence Inspection - single species (dogs or cats) Unannounced mid licence visit	370 259
Home boarding	New Licence application or 1st inspection by CoCL Renewal Licence Inspection	333 259
	Unannounced mid licence visit	259
Home boarding - arranging	New Licence application or 1st inspection by CoCL of a home boarding a Renewal Licence Inspection of a home boarding arranger /franchisee	333 259
	Assessment of a hobby host as part of a arranger /franchisee licence Unannounced mid licence visit	259 259
Dog Day Care	New Licence application or 1st inspection by CoCL - less than 10 dogs	407
	New Licence application or 1st inspection by CoCL - 10 or more dogs  Renewal Licence Inspection - less than 10 dogs	555 333
	Renewal Licence Inspection - 10 or more dogs Unannounced mid licence visit	407 259
Dog Breeding	**New Licence application or 1st inspection by CoCL - vet inspection - do	598 481
	Renewal License inspection - dogs housed in kennel units  **New Licence application or 1st inspection by CoCL - vet inspection - do	414
	Renewal License inspection breeding - dogs housed in home environmer Unannounced mid licence visit	333 259
Hiring out horses	**New Licence application or 1st inspection by CoCL - inspection veterinates application or 1	
Example of charge per horse in a yard with	**Annual vet_inspection veterinary fee - inspection veterinary fee only (+ a	
60 horses 1st 10 horses @ £17 = £170	Fee per horse for the first 10 horses Fee per horse for next 11-50 horses	17 14
horses 11-50 @ £11 = £440	Fee per horse 51 horses & over	14 322
horses 51-60 horses @ £10 = £100	**Unannounced mid licence visit (on top of annual vet inspection)	322

Selling animals as pets	New Licence application or 1st inspection by CoCL- up to 2 species	518
	New Licence application or 1st inspection by CoCL - more than 2	
	species	592
	Renewal Licence Inspection - up to 2 species	481
	Renewal Licence Inspection - more than 2 species	518
	Unannounced mid licence visit	259
Dangerous Wild Animals	**New Licence application or 1st inspection by CoCL vet inspection - con	598
	**Renewal License vet inspection commercial / outside premises (plus m	414
	**New Licence application or 1st inspection by CoCL vet inspection - dor	414
	**Renewal License vet inspection - domestic dwelling domestic dwelling	322
	**DWA on Location - 1st hour including travel and report writing	276
	**DWA on location visit additional charge per hour	184
Primates	New Licence application - 1 species	552
	New Licence application - 2 or more species	644
Combined DWA & Primates	1 primate species plus combined DWA of a primate species	644
	2 or more primate species plus combined DWA of a primate species	736
	1 primate species plus combined DWA of all listed DWA species	736
	2 or more primate species plus combined DWA of all listed DWA specie:	828
Illegal Imports outside of CoLC jurisdiction	Collection and Detention	407
	Mileage at 65p per mile	0.65
Zoos	**New or Periodical (Full Day)(Vet) without travel time (hourly rate to be a	782
	**Informal / Special (Full Day)(Vet) without travel time (hourly rate to be ac	966
	**Administration package (optional) - includes all additional support and a	2668
	**New or Periodical (Half Day)(Vet) without travel time (hourly rate to be a	598
	**Informal / Special (Half Day)(Vet) without travel time (hourly rate to be a	598
	**Administration package (optional) - includes all additional support and a	1380
	**Veterinary 14.1a exemption inspection	782
Train or keep animals for exhbibition	Exhibit on Location - 1st hour including travel and report writing	296
	Exhibit on location visit additional charge per hour	185
	New Licence application or 1st inspection by CoCL- Single species	555
	New Licence application or 1st inspection by CoCL - Multi species	629
	Renewal Licence Inspection - Single species	407
	Renewal Licence Inspection - Multi species	444
Oberes Febilifiere ACC M. 1.1	Inspection (Full day per officer)	592
Shows-Exhibitions-AGO- Markets	Inspection (Half day per officer)	333

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Animal Keepers Farm stock (Hobby /			
Domestic Address)	Inspection Visit	333	
Animal Keepers / non Domestic address (HalfInspection Visit		407	
Animal Keepers / non domestic address (full Inspetion Visit		592	
Reassessment of star rating	**1 x Veterinary Officer	322	
	1 x Animal Health Inspector	259	
Hourly Rate - Complaint visits/reports and other additional functions	**1 x Veterinary Officer	92	
	1 x Animal Health Inspector	37	

<sup>\*\*</sup> RCVS Veterinary Surgeon

AHI = Animal Health Inspector

All fees quoted are for standard inspections. Additional hours are charged where the inspection and report

0-5 operators 6-15 operators 16-29 operators 30+ operators