

Response ID ANON-V8FE-5XXZ-R

Submitted to **Environment Agency charge proposals from April 2018**

Submitted on **2018-01-17 16:55:47**

Your details

Your email address

Email:

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Section 1 - About this consultation

Section 2 - Setting our charges

Section 2.4 - Supplementary time and materials charges

1 Do you agree with the proposals to charge fixed charges where we have greater certainty over costs and time and materials in other instances?

Yes

If not, please explain why:

Section 2.8 - Transition from existing scheme to proposed scheme

2 Please tell us if you have any comments about the proposed transitional arrangements outlined in section 2.8.

Comments:

Waste recycling companies often have long-term contracts and commitments with waste producers to take away and recycle wastes. Contracts can extend over several months or years. The opportunity for submitting consultation responses ends on the 26th January which is 9 weeks before the proposed implementation date of the new charging scheme. It will be even less time between formal/final publication of the response and proposed start date for new charges. In our opinion, this is insufficient notice as the time frame doesn't reflect existing long-term waste recycling contracts or commitments and therefore doesn't allow time for the new charging scheme to be written into existing agreements. This is particularly the case where there will be significant increases in upfront costs to the EA i.e. those associated with subsistence charges for land spreading (the new annual charge and deployment charge increases of ~120% where recycling companies operate under tens or hundreds of deployments per year).

Section 3 - Environmental Permitting Regulatory approach

3 Please tell us if you have any comments about the common regulatory framework outlined in section 3.1.

Comments:

It is understandable that the EA need to cover costs associated with time and materials spent on assessing and regulating permits and associated activities.

However, our technical and operational staff spend significant amounts of time liaising with new and inexperienced permitting officers and local area officers, re-introducing the projects/wastes/sites we've operated for many years. EA staff seem to move between posts very frequently and only a few remain in the same post for more than a year or two. This lack of continuity can be frustrating and time consuming as previously agreed ways of working or integral background information is lost. It is not fair or appropriate for businesses to pay for additional time or material costs associated with rapid staff turnover/training as it would be preferable to continually work with individuals familiar with the process/operations. This doesn't appear to be accounted for in the common regulatory framework.

Additionally, where any payments or transactions of goods or services occur, in any sector, the customer would expect to receive an itemised list for what they are paying for. The sections referring to site visits, audits etc is vague and it is not clear if every permit site or mobile plant deployed sites will receive the same attention or number of visits. If this forms part of the standard costs and is incorporated into the new charging scheme, then we would expect the baseline number of visits/audits per annum to be itemised.

Section 4 - The model for the EPR charging scheme

4 We anticipate that there will be time saving for businesses if you no longer are required to complete an OPRA profile. Do you agree?

No

If not, please explain why:

This statement does not apply to every type of permit.

As a company, we mostly operate under mobile plant permits both for land-spreading and waste treatment). OPRA profiles/scorings for these types of permits, even if they are bespoke, is not onerous and does not tend to require any additional information than what is required for the permit application (or subsequent

deployments if applicable).

5 How much time do you think will be saved by not having to complete an OPRA profile as part of a permit application? (in hours)

Hours:

1-2 Maximum

6 Who usually completes the OPRA profile that is required when applying for a waste, installations or mining waste permit?

Scientific or technical staff

If other, please specify:

7 How much time do you think will be saved by not having to annually review your OPRA profile? (in hours, per year)

(in hours, per year):

16

8 Who usually completes the annual review of your OPRA profile?

Scientific or technical staff

If other, please specify:

Section 4.2.1 - Pre-application advice across all EPR regimes and sectors

9 Do you agree with the proposal to include only basic pre-application advice in all of our application charges?

No

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Pre-application advice is not a service which every applicant will require, especially if the application is for a standard rules permit and the application is being compiled and submitted by a permitting consultant who is familiar with the process.

If it must be chargeable, basic pre-application advice should not be encompassed in any way in the baseline application fee. It should be a discretionary service similar to/or as part of the proposed enhanced pre-application advice service.

Section 4.3.1 - Discretionary enhanced pre-application advice service

10 Do you agree with the proposal for a discretionary enhanced pre-application advice service?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

In principle yes, however in past experiences, the EA have not been able to give definitive answers on certain aspects of the application and in most cases it is left to the operator to suggest analytical parameters, threshold limits, mitigation measures, operational procedures etc. We would expect from this service to have help with all aspects of the proposed operations, including technical and operational details in a relatively short time frame. We would not want to commit to paying for this service if we had to wait several weeks or months for queries/issues to be raised with the EA technical team before receiving the support we requested. This would cause delay to applications which would be outside of our control. This would be difficult to accept when paying potentially several hundred pounds for the service.

Section 4.3.2 - Non-discretionary supplementary application charges

11 To recover our costs we intend to charge each time we review a waste recovery plan. Do you agree with this approach?

No

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Review and assessment of WRPs have historically fallen within the permit application fee. Whilst it is appreciated that the EA need to cover time and material costs, it is difficult to comprehend why this cannot remain included within the proposed increased baseline fee, especially as this plan forms the key part of these types of applications. With proposed increases in baseline fees, annual charges and also pre-application advice we would expect review of WRPs to be accounted for already. In addition to this, repeat fees for revised or amended WRPs is unreasonable, especially where revisions or amendments are minor.

12 Do you agree with our proposals to retain a proportion of the fee to cover costs associated with processing poor applications?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

13 Do you agree with the proposals to recovering additional costs for determining public interest applications through time and materials?

Not applicable

Do you agree with the proposals to recovering additional costs for determining public interest applications through time and materials?:

14 Do you agree with the fixed charge approach for application amendments during determination?

No

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

It would be fairer to have a scale of charges depending on the extent of the amendment required and also the amount of time spent by the EA in determining prior to the amendment being submitted should be taken into account. This should be itemised and traceable. A minor amendment made when the EA had just began determination is a very different situation to a major amendment submitted towards the end of the determination process.

15 Do you agree with our proposal to recover costs of determining permits using novel technologies through time and materials charging?

Not applicable

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

16 Do you agree with our proposals to charge for further information requests not covered within the baseline charge?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Although depending on the nature of the request, the fixed fee for each request of £1200 may be excessive especially if the issue in question is minor. A scaled fee may be more appropriate.

17 Do you agree with our proposal to use the new application fee as the basis for variation and surrender charges?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Variations to permits required by the EA should not be chargeable unless the permit holder agrees to go ahead. Otherwise the EA can decide to vary a permit limitless numbers of times, and be paid a variation fee each time.

18 Do you agree with our approach for discounting batch transfers to a single operator at the same time?

Yes

If not, please explain why:

Section 4.4 - Application for multiple activities under one permit

19 Do you agree with the approach we have used to cover our costs associated with determining permits at multi-activity sites?

Yes

If not, please explain why :

Section 4.6 - Supplementary subsistence charges (compliance stage)

20 Please tell us if you have any comments about the approach to annual subsistence charging outlined in sections 4.5 and 4.6.

Comments:

We agree with the approach in principle if it reduces the baseline costs as much as possible. It would however be completely at the EA's discretion, whether additional costs would be incurred which gives rise to an increase in financial risk relating to the job/application if the one-off or uncommon situation takes a long time to resolve. This would come down to how the content of the application is interpreted which may also vary between officers depending on their knowledge. Could this be unfair if an inexperienced officer is handling a new application?

Section 4.6.1 - Non-planned compliance work

21 Do you agree with our approach to charging for non-planned compliance work at permitted sites?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Yes in principle. However this approach would not be appropriate for every situation that arose. It would not be fair to put the cost of non-planned compliance work at permitted sites in situations where the cause or source of pollution or an incident is not absolutely clear. As an example, an algal bloom occurring in a stream a mile or two from a permitted facility would require investigation before the source is identified. Charges need to be retrospective and based on evidence

of the source/issue.

Section 4.6.2 - A new charge at the commencement of operations

22 Do you agree with the additional charge to cover extra regulation work in the first year of operation on an activity?

No

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

The pre-application advice service, determination of permit, agreement on permit conditions and regular audits, site visits as proposed should be enough to satisfy all regulation required.

23 Do you agree that this first year charge should apply across all regimes and sectors under EPR or should it apply to some sectors only? (If so which sector/s?)

Some regimes and sectors only

If you have answered some regimes and sectors only, please tell us which regimes and sectors it should apply to:

We would suggest this would be most appropriate for large-scale and complex installations, site-based technologies etc and not mobile plant or standard rules permits.

Section 4.6.3 Pre operational and pre construction charges

24 Do you agree with our approach to charging for pre operational and pre construction?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Section 4.7 - Subsistence charges for multi-activity operations

25 Please tell us if you have any comments regarding our proposed arrangements to recover regulatory costs at multi-activity sites?

No

If not, please explain why:

Section 4.8 - Permit Compliance

26 Do you agree with our interim arrangements for compliance rating outlined above?

Yes

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Section 4.9.1 - Flood and Coastal Risk Management

27 Do you agree with our proposals for flood and coastal risk management permitting charges?

Not applicable

If not, please explain why:

28 Please tell us if you have any comments in relation to our flood and coastal risk management proposals. In particular, do our proposals cover all activities you may undertake as an operator?

Comments:

N/A

Section 4.9.2 - Radioactive Substances Regulation Nuclear Sites

29 Do you agree with the proposals outlined for Radioactive Substances Regulations Nuclear?

Not applicable

If not, please explain why:

Section 4.9.3 - Radioactive Substances Regulation non-nuclear Sites

30 Do you agree with our revised permit categories for disposal of radioactive waste from unsealed radioactive sources?

Not applicable

If not, please explain why:

Section 4.9.4 - Water Quality and Groundwater Discharges

31 Do you have any comments on our proposal to move from a charging scheme which considers the volume, chemical content and receiving water into which a discharge is made, to a simpler activity-based charging scheme?

Comments:

N/A

32 Do you have any comments on the proposed approach to reflect the costs of Operator Self-Monitoring?

Not applicable

If not, please explain why:

33 For water sewerage companies we have proposed to phase the AMP6 EDM permitting workload across AMP6 and AMP7 to smooth the cost of introducing charges for these variations and to reduce permitting workload pressures. Details are to be confirmed by separate agreement. Do you agree to the proposed approach?

Not applicable

If not, please explain why:

34 Do you have any comments on the proposed approach to variation charges specifically relating to Water Discharge and Groundwater activity permits?

Comments:

N/A

35 Do you have any other comments on the Water Discharge and Groundwater Activity Proposal?

Comments:

N/A

Section 4.9.6 - Installations: Chemical Sector

36 Do you agree with our proposals for the installations: chemicals sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.7 - Installations: Refineries and Fuels Sector

37 Do you agree with our proposals for the installations: refineries and fuels sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.8 - Installations: Energy from Waste - incineration and co-incineration

38 Do you agree with our proposals for the installations: Energy from waste sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.9 - Installations: Food and Drink Sector

39 Do you agree with our proposals for the installations: food and drink sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.10 - Installations: Onshore Oil and Gas Sector

40 Do you agree with our proposals for the installations: onshore oil and gas sector permit charges?

Not applicable

If not, please explain why:

41 Do you agree with our proposal to introduce a time and materials charge for our regulatory work associated with Hydraulic Fracturing Plans?

Not applicable

If not, please explain why and how we might otherwise cover the costs incurred in relation to this regulatory work:

Section 4.9.11 - Installations: Paper, Pulp and Textile Sector

42 Do you agree with our proposals for the installations: paper, pulp and textile sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.12 - Installations: Combustion and Power Sector

43 Do you agree with our proposals for the installations: combustion and power sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.13 - Installations: Mining Waste Sector

44 Do you agree with our proposals for the installations: mining waste sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.14 - Installations: Metals Sector

45 Do you agree with our proposals for the installations: metals sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.15 - Installations: Cement and Lime Sector

46 Do you agree with our proposals for the installations: cement and lime sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.16 - Intensive Farming Sector

47 Do you agree with our proposals for the installations: intensive farming sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.18 - Waste: Land spreading (mobile plant) Sector

48 Do you agree with our proposals for the waste: land spreading (mobile plant) sector permit charges?

No

If not, please explain why:

The proposed increases are significant, in particular subsistence charges for mobile plant, and will make recycling of a large proportion of wastes that provide routine benefit to soils financially not viable. This does not reflect or promote the waste hierarchy and it will result in less recycling/recovery of wastes and by-products to land, possibly even encourage rogue disposal outside of regulation.

We understand that the EA need to recover some time and material costs associated with regulating land spreading operations however charges need to be relative to the tonnages that are applied rather than relate to a given area of land in a deployment. Many wastes that are routinely applied to land for significant agricultural and ecological benefit are spread at low and controlled application rates. This includes wastes with liming properties, significant nutrient status (N, P, K and micro nutrients) and organic matter which directly replace use and reliance of manufactured products. It will be these materials that will be most vulnerable to the proposed charges as costs per tonne will become too expensive. As an example the EA deployment charge for a lime-based waste applied at 2 t/ha over 50 ha under SR2010No4 automatically increases from £7.80 per tonne to £17.16 per tonne. This is a 120% increase.

Other situations where producers make small tonnages of wastes and by-products with a high fertiliser or soil conditioning value to soil will also be significantly impacted, to the detriment of their business and the land-based sector reliant on the materials. This could well force the closure of viable businesses or drive recycled materials into landfill.

As a company, we submitted 168 deployments in the last year, 148 of which were to support our existing contracts with waste producers and land owners. In total, we paid £144,122 EA fees in upfront costs which is a significant outlay before we can recover our costs through delivering contracts. If the proposed changes to EA charging go ahead, we are looking at an annual increase in upfront costs in excess of £160k. This is more than double our current costs with the EA.

If fees were to be increased we would like to see a quicker turnaround of deployment applications. Fast tracking of certain applications to achieve a 2 week turnaround (this is needed in certain emergency situations or for "just in time" products) could then demand a higher fee cost.

There is a very short time frame between the closure date for public comment for this consultation and the proposed implementation of changes (9 weeks). We and all of our clients consider this to be a totally unacceptable approach by the EA. There is insufficient time to prepare and re-structure our finances to accommodate a 120% increase in fees and our existing contracts with honest and reputable waste producers are at high risk of collapse if it goes ahead.

A significant driver behind these proposed changes seems to be reducing the reliance of the EA on government funding and aid from taxpayers. Why does this need to be reduced? The EA is not a business, it does not seek to make profit and a proportion of tax should be spent on regulating the waste sector. It is in public interest to reduce disposal and potential causes of environmental pollution. All other government departments are funded in this way, so why are the EA trying to become financially self-sufficient? More focus should be directed towards waste crime rather than over-management and over-regulation of operators willingly operating under EPR.

Section 4.9.19 - Waste: Waste Transfer and Treatment Sector

49 Do you agree with our proposals for the waste: waste transfer and treatment sector permit charges?

No

If not, please explain why:

Current permit application costs for the permits we regularly rely on to carry out our core business are £1630. The proposed application baseline fee for these are £2641. This is an increase of 62%. Costs of transfer applications are proposed to increase by even more - 158%. This is an unreasonable and unacceptable rise for businesses to take on, especially in a single instance. The EA is a government department, not a business and the driver to reduce dependency on government funding from taxes is flawed. Any changes in fee structure should be gradual to help operators adapt and promote growth of business. If services that the EA rely on to operate were to increase by such percentages, regulation would grind to a halt. It is not fair to expect businesses in the waste sector to accommodate these increases, especially as the extent of the increases proposed were not known until this consultation was published. There is insufficient time for businesses to forecast for the 2018-2019 financial year.

Section 4.9.20 - Waste: Landfill and Deposit for Recovery Sector

50 Do you agree with our proposals for the waste: landfill and deposit for recovery sector permit charges?

Not applicable

If not, please explain why:

Section 4.9.21 - Waste: T11 repairing or refurbishing waste electrical and electronic equipment (WEEE)

51 Do you agree with the above increase for a T11 exemption?

Not applicable

If not, please explain why:

Section 5 - Other regulatory charging schemes

Section 5.2.1 - Water Abstraction Proposals for 2018/19

52 Do you agree with the proposal to reduce the Thames regional charging area Standard Unit Charge?

Not applicable

If not, please explain why:

53 Do you agree with the proposal to remove the River Arle (northern and southern reaches) from the list of supported sources in the Abstraction charging scheme?

Not applicable

If not, please explain why:

Section 5.3 - Control of Major Accidents and Hazards (COMAH)

54 Do you agree with the proposed increase in our hourly rate charged for Control of Major Accidents and Hazards (COMAH?)

Not applicable

If not, please explain why:

55 Do you agree with the proposed introduction of a new charge for work on external emergency plans?

Not applicable

If not, please explain why:

Section 5.4 - European Union's Emissions Trading Scheme (EU ETS)

56 Do you agree with the proposal to move from tiered charges to one flat rate annual subsistence charge for installations operators and one flat rate annual subsistence charge for aviation customers?

Not applicable

If not, please explain why:

57 Do you agree with the proposal to amend the registry charges?

Not applicable

If not, please explain why:

Section 5.5 - Waste Electrical and Electronic Equipment (WEEE)

58 Do you agree with our proposed increases to large producer charges?

Not applicable

If not, please explain why:

59 Do you agree with our proposed increases to AATF and AEs charges?

Not applicable

If not, please explain why:

60 Do you agree with or proposal to introduce an annual subsistence charge for compliance schemes?

Not applicable

If not, please explain why:

Section 6.1 - Definition of Waste services

61 Have you used our Definition of Waste panel service?

Yes

A waste (including where we were not able to make a decision due to insufficient information)

62 Do you use the waste quality protocols or other end of waste framework?

Yes

If yes, which?:

Dependent on the material we have applied for.

63 Do you support our proposal to recover the cost of providing Definition of Waste services outlined in section 6.1?

Yes

If not, please explain why:

64 Please tell us if you have any further comments on Definition of Waste Charging proposals.

Comments:

Before committing to payment of costs above the initial fee, an interim opinion by the EA should be sent to the applicant so an informed decision can be made as to whether to pursue at the hourly rate or withdraw.

We would also like to see independent technical experts being part of the decision making process on the end of waste panel.

Section 6.2 - Planning advice

65 Do you agree with our proposed increase to the hourly rate charged for our bespoke spatial planning advice service?

Not applicable

If not, please explain why:

66 Do you have any concerns that the proposal to increase the charge for our discretionary planning advice service might compromise our ability to carry out our statutory planning advice duties?

Not applicable

If not, please explain why:

Section 6.3 - Marine licensing advice

67 In line with our planning advice service, do you agree with our proposal to introduce a discretionary hourly rate service for our marine licensing advice service?

Not applicable

If not, please explain why:

Section 7.2 - Forward Look for Abstraction Charges

68 Please tell us if you have any comments on our plans to review abstraction charges?

Comments:

N/A

Section 7.3.2 - Forward look for Navigation charges

69 What factors do you think should determine how we calculate the boat registration charge?

Comments:

N/A

70 We would appreciate your comments and feedback to help develop our proposals. What would you like to see included within a revised boat registration charges scheme?

Comments:

N/A

71 Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once.(1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure)

Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once. (1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure) - Channel dredging:

Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once. (1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure) - Tree and vegetation clearance:

Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once. (1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure) - Assisted passage (staff to operate locks):

Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once. (1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure) - Routine patrolling by staff on patrol launches:

Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once. (1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure) - Compliance and enforcement checks:

Please rate the following elements of service based on how important they are to you, using the key below? You can choose the same number more than once. (1 important/2 like/3 don't mind/4 could manage without/5 don't want or need/6 unsure) - Provision of facilities (eg moorings/water/refuse and sewage disposal):

Other - please specify:

N/A

72 Do you have any other comments on the above plans to review Navigation charges and the boat registration charges scheme?

Comments:

N/A

73 Would you be interested in attending a workshop to help us shape our new proposals? If so, please provide your contact details here:

Details:

N/A

Section 8.1 - Comments on specific issues

74 Please give us any further comments on our proposals which have not been covered elsewhere in the questions, ie if none of the questions throughout the consultation have enabled you to raise further specific issues with these proposals please set them out here with any accompanying evidence.

Comments:

There is a significant amount of information to read and digest before being able to respond to this consultation. We have a dedicated team of consultants who are paid as part of their role to read this information and respond accordingly. Most waste producers and operators do not have the capacity of staff, or technically trained people who can respond to this consultation. It is complex and not user friendly and requires referencing multiple documents for each of the 80 questions. This will not encourage responses and this should be considered when assessing the response rate.

The layout of the online consultation questions also makes it exceptionally difficult for group responses as individuals need to work through the entire 80 questions and supporting information to seek out areas of interest. This is time consuming and frustrating.

75 We would be interested in any analysis you have that suggests our proposals will influence the market conditions in your sector and whether there will be an impact on future investment decisions and on new entrants to the sector?

Please provide full evidence you have to support your answer along with any possible mitigating actions:

Refer to 4.9.18

76 Do you have any analysis that suggests the charge increases will impact on SMEs in your sector? If so, which companies are most likely to be affected and what do you think will be the consequences?

Comments:

Refer to 4.9.18

Please provide any evidence/data along with any mitigating options:

Refer to 4.9.18

Section 8.3 - About you

77 Please select from the following options:

Responding on behalf of an organisation or group

If you're responding on behalf of an organisation or group, please tell us who your responding on behalf of and include its type, eg business, environmental group.:

4R Group
Control House,
A1 Business Park,
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Knottingley
WF11 0BU

We are a waste recycling company with technical consultancy, operational and administration teams (currently 38 employees). Our core business is recovery of wastes and by-products to land.

www.4r-group.co.uk

78 If you are responding on behalf of an organisation are you a Small or Medium-sized Enterprise (SME)?

Yes

79 You will receive an acknowledgement email and we will notify you when the consultation response document has been published.

Email:

becky.wheeler@4r-group.co.uk

Section 8.4 - How we will use your information

80 Can we publish your response? We will only publish parts of your response that do not contain any personal information.

Yes

If no, please tell us why below as we will need to understand this when responding to any Freedom of Information requests: