

SWWVG: 6th December 2017:

- ✓ **Strategic Review of Charges**
- ✓ **Waste Crime Consultation**
- ✓ **Exemptions Review**
- ✓ **Waste Import ban to China**
- ✓ **Wood Waste**

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Context and Strategic Aims

To reform our charging schemes for 2018 – 2023 so that they are financially sustainable and work better for business and the environment

- We charge for our regulatory work but the income from charges does not cover our regulatory costs.
- Treasury Managing Public Money rules require businesses to pay for the cost of regulation.
- We are undertaking a wide ranging review of our regulation and associated charging regimes.
- We aim to be as efficient as we can be by the end of the review.
- We want a charging scheme which is fair, transparent and simple
- We are seeking full cost recovery for all legitimate costs of regulation and for some non-regulatory activities
- We will offer new chargeable services

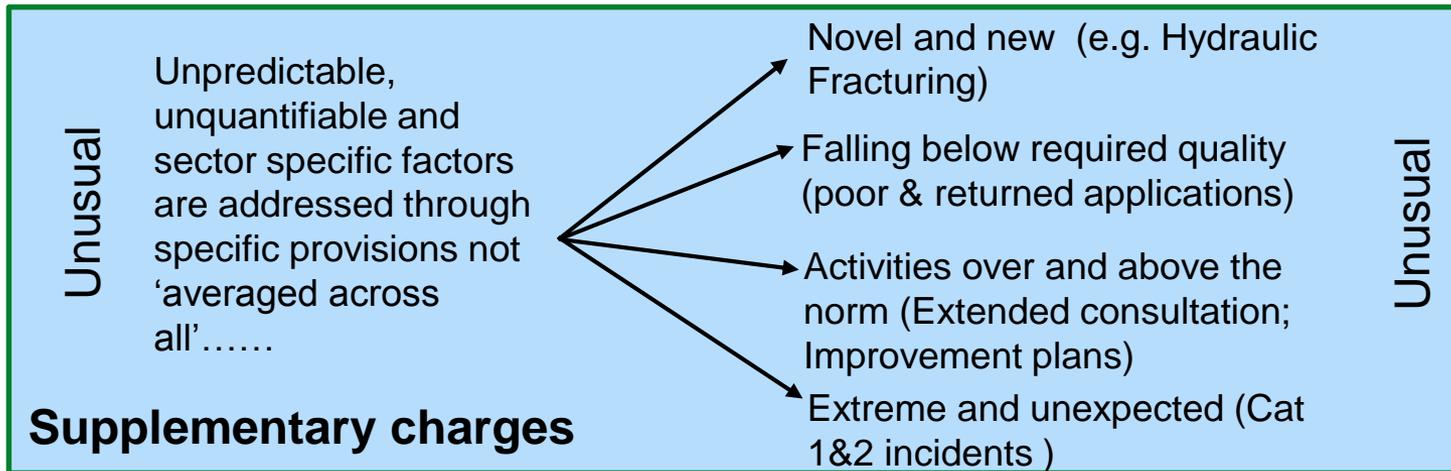
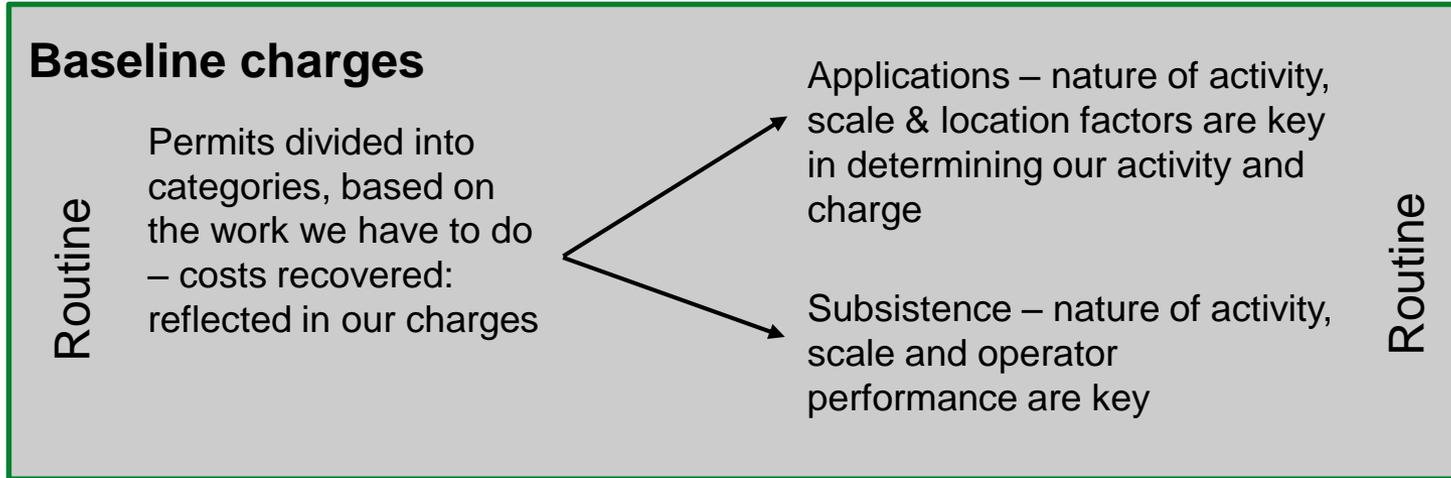
Charging schemes with proposed changes

Environmental Permitting Regulations (EPR)	Non-EPR
Flood Risk Activities	Waste electrical and electronic equipment – producer responsibility
Water Discharges	EU Emissions Trading system
Discharges to Groundwater	Control of Major Accident Hazards regime
Waste Regulation	Marine Planning Advice
Process Industry Installations Regulation	Terrestrial Planning Advice
Nuclear regulation	Definition of Waste service
Radioactive Substances Regulation	Water Abstraction Licensing (minor amendments to current scheme)
	Navigation licensing (commencement date 1 Jan 18)

Charging schemes reviewed but not included

International Waste Shipments
Climate Change Agreements
Hazardous Waste
Carriers, brokers and dealers
Fisheries licences
Producer Responsibility – batteries packaging

Outline design of the EPR Charging Scheme



The Permitting Application Scheme

- New charge is based on how long it takes us to produce the permit – including input from all those involved in determining the permit
- Clear line of sight between service and charge
- Retains the link between risk, applications that need extra assessment because there is a greater risk are charged more
- Flat fees
- Application charges are grouped into approximately 160 different application categories (waste, installations, water quality)

The Basics

- Sector specific baseline charge takes account of what we do every time we determine a given permit type in that sector
- Additional component charge for things that don't always need to happen e.g. sensitive location, noise management plan
- There will be a charge for each activity on site but there will be fee reductions where we can make efficiencies
- Variation and surrender charges based on a percentage of the new charge
- Flat fees for transfers and option for bulk transfer discount

What's New

- Small amount of pre-app included in the application fee
- Retain a part of the fee for poor applications that are sent back
- Flat fee for additional requests for information, amendments to application during determination
- Time and Materials charging for extra pre-application, SHPI, novel technologies, new assessments brought to notice during appeals

Additional components for applications

The following charges will apply where additional assessment is required

Additional component	Proposed application charge
Sensitive Location	£818
Bio Aerosol Risk Assessment	£1,249
Odour Management Plan (OMP)	£1,562
Fire Prevention Plan (FPP)	£1,249*
Noise Management Plan (NMP)	£1,562
Dust Management Plan	£1,249
Best Available Techniques(BAT) appraisal document	£1,249

*where it would not be an expected element of an application

Variation Charges

- Substantial Variation = 90% of the new bespoke fee
- Normal variation = 50% of the new bespoke fee
- Minor Variation = 30% of the new bespoke fee
- Admin Variation is free
- Surrender = 60% of the application fee
- Low Risk Surrender = 20% of the application fee
- Only applies to activity being varied – not necessarily all the site

What it looks like

Waste – Standard Rules 2015 No4 – Household, commercial and industrial waste transfer station

Current charge

- Fixed fee = £1,630
- Transfer = £960
- Surrender = £3,590

New proposal

- Application fee = £3,900 (includes assessment of fire prevention plan)
- Transfer = £2,512
- Surrender (60% of new fee) = £2,340

Waste- what it looks like

Waste –Bespoke – Metal Recycling <5000 tonnes

Current charge

- Fixed fee =
£1,170
- Transfer = £960
- Surrender =
£3,590

New proposal

- Application fee =
£3,900 (includes assessment of fire
prevention plan)
- Transfer= £2,512
- Surrender (60% of
new fee) = £2,340

Waste Crime Consultation

Focuses on measures to tackle waste crime and poor performance within the waste management industry.

Proposals to amend elements of operator competence:

1. Past Performance
2. Management systems
3. Technical Competence
4. Financial Competence

Also proposes amendments which affect 10 waste exemptions

Waste Crime Consultation

Technical competence draft proposals - focused on strengthening the requirement for permitted waste operators to demonstrate appropriate technical knowledge of their operation and provide details of the TCM

- An explicit requirement in regulations for operators of relevant waste operations to be technically competent through a scheme approved by government

Waste Crime Consultation

Technical competence proposals (continued)

- Operators shall be required to inform the regulator of the TCM / corporate competence scheme for their waste site. The regulator may specify how that information can be submitted.
- Introduce a TCM 'licence to practice' system to enable sanctions to be taken against TCMs that fail to fulfil their responsibilities

Exemptions Review – 10 exemptions

- Reducing crime and illegal activity
- Focus on waste management business exemptions
- Prevent operators using hiding behind exemptions for illegal activities
- Permitted sites = no exemptions

Waste import ban to China

- In July 2017 China contacted the World Trade Organisation stating that 24 types of solid waste will be banned by the end of 2017 (including various plastics and metals and paper).
- Revised import standard of 0.3% contamination (currently 1.5% for paper)
- Very short timescales for the consultation and the UK government also stated that in the circular economy China should be responsible for the products they place on the market.
- From 2018 we could see UK companies lose export contracts which could lead to poorer quality waste streams being stock piled or disposed of illegally as markets disappear.
- The UK export around 0.4m tonnes of plastic to China/pa. In recent months there has been an increase in the quantity exported to Turkey, Vietnam and Malaysia.

Waste Import ban to China (cont)

- The ban of 24 types of waste and the revised export standards could mean that the packaging and WEEE recovery targets are not met.



Waste Wood



Waste destination and treated wood

- Concern over final destination of items of treated waste wood in mixed waste wood and processed mixed waste wood (wood fuel and fines)
- Particular concern if material is destined for spreading on land (e.g. fines), animal bedding, composting or use of fuel at an unpermitted facility of a type that does not require abatement
- This material should only be destined to a Chapter IV (under IED) compliant permitted incinerator or panel board manufacture.

Focus of regulation

- Regulatory position statement to be issued:
- Any waste wood, or processed wood waste fraction that contains any quantity of treated waste wood must either:
 - Move an unassessed or unknown status, using a non-hazardous code, to Chapter IV compliant facilities or panel board manufacture until November 2018 OR
 - Be properly classified and assessed for hazardous properties, following WM3, if it is to be sent to any other destination
- The Wood Recycling Association (WRA) are developing a plan for a study to collect evidence on the chemical composition of different items of wood from different sources to see if visual categorisation can be reliably used to determine haz/non-haz.
- Intention to produce and implement a code of practice on wood classification and segregation by the end of 2018

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