



Department
for Environment
Food & Rural Affairs

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Consultation on Partial Bi-ennial Review of Local Authority Environmental Regulation of Industrial Plant: 2014/15 Fees and Charges

Summary of responses to public consultation

March 2014

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Any enquiries regarding this document/publication should be sent to us at:

Industrial Pollution Team

Atmosphere and Local Environment Programme

Defra

Zone 2C Nobel House

17 Smith Square

SW1P 3JR

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Introduction

1. This document summarises responses to the consultation by Defra to revise the fees and charges levied by local authorities (LAs) in England to recover their full costs of undertaking their functions under regulation 65 of the Environmental Permitting (England and Wales) Regulations 2010 (EPR). The consultation was held between 22 October and 22 December 2013.
2. 580 stakeholders including English LAs were alerted by email to the consultation package on the Defra website. A total of 10 respondents commented on the proposals. Of those 4 were from representatives of regulated businesses, 5 were from LAs and 1 from the Scottish Environmental Protection Agency (SEPA). A list of those who responded to the consultation can be found at **Annex A**.

Background

3. A full review of the annual revision of fees and charges for the environmental regulation of industrial plant by local authorities (LAs) is undertaken every 2 years, with a partial review in the intervening years. This consultation forms part of the partial review which has considered a percentage increase to reflect inflation minus potential cash-releasing efficiencies. The single proposal was for a zero across the board increase in existing fees and charges.

Summary of consultation responses

4. There was a very limited number of responses received to the consultation. All those from business (4) supported the maintenance of the current level of fees and charges. Those from LAs (5) opposed the proposal for several reasons. The comments included:
5. All LAs comment that the fees don't sufficiently cover the cost of administering the regime and that any below inflation rise is actually a cut;
6. 3 LAs said that fees for A(2)s were too low, either for specific activities or across the board, or that they should be more closely aligned with those of the Environment Agency.
7. 2 LAs said that it was too easy for problem operators to stay in lower risk bands, although 1 business response thought that LAs could be too harsh when assessing risk ratings.
8. 2 LAs commented that some permit variations were time consuming and should carry a fee, whether or not they were substantial variations, and 2 that there should be a greater variation in the level of fees and risk bands tailored to regulatory input. Other individual comments from LAs were that permit transfers for reduced fee activities should carry a fee and that fees should be set locally or regionally.
9. The Scottish Environment Protection Agency did not have any comments to make on the consultation.

Defra Response and Conclusions

10. As in previous years calculations on the proposed variation in fees were linked to inflation and potential efficiencies and took account of evidence on the cost of discharging the LAPC function. This evidence showed that although costs vary across LAs, overall the chargeable fees provide sufficient funds to cover the costs of administering the regime. Robust evidence that the fees for certain activities are too low across the board has not been provided at this time.
11. Standard permit variations and permit transfers for reduced fee activities are considered to be covered by the general income from fees. If sufficient evidence is provided to indicate that these should be supplementary costs then we will consider them as part of the next charging round. There are no plans to devolve fee setting for local authority pollution control regulation at this time.
12. We will be carrying out a cost accounting survey to assess the extent to which the charging schemes cover LA costs as part of the full bi-ennial consultation in 2014, and as part of this review we will consider whether there are specific activities for which a change to the fees and charges would be appropriate. A review of Risk Methodologies is currently being undertaken on behalf of Defra by the Midlands Joint Advisory Committee which will look at their effectiveness. We will fully consider their recommendations.
13. We would invite those who are affected by this regime to collate evidence of where the fees and charges are insufficient to cover costs, and the extent of the disparity to assist with this review.
14. On the basis of this partial review, we will proceed with zero across the board increase in existing fees and charges for 2014/15.

Annex A List of Respondents

Scottish Environmental Protection Agency
Eden District Council
Chiltern District Council
Petrol Equipment Installers Maintenance Federation
Petrol Retailers Association
British Glass
Society of Motor Manufacture and Traders Ltd
Huntingdonshire District Council
London Borough of Newham
Isle of Wight Council