# CHARGING SCHEME FOR LOCAL AUTHORITIES

# THE LOCAL AUTHORITY PERMITS FOR PART B INSTALLATIONS AND MOBILE PLANT AND SOLVENT EMISSION ACTIVITIES (FEES AND CHARGES) (ENGLAND) SCHEME 2017

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The Secretary of State, in exercise of the powers under regulation 65 of the Environmental Permitting (England and Wales) Regulations 2016<sup>1</sup> makes the following Scheme:

## PART 1

# Introduction

## Title, application and commencement

#### 1. This Scheme—

(a) may be cited as the Local Authority Permits for Part B Installations and Mobile Plant and Solvent Emission Activities (Fees and Charges) (England) Scheme 2017;

- (b) applies in England; and
- (c) comes into force on 1 April 2017.

#### Revocation

**2.** The Local Authority Permits for Part B Installations and Mobile Plant and Solvent Emission Activities (Fees and Charges) (England) Scheme 2015 is revoked.

## Interpretation

3. In this Scheme—

"the EC Regulation" means Regulation (EC) No 166/2006 of the European Parliament and of the Council concerning the establishment of a European Pollutant Release and Transfer Register made 18 January 2006<sup>2</sup>;

"dry cleaning" has the meaning given in Annex VII of Directive 75/2010/EC<sup>3</sup>

"installation" means one of the following-

(a) a Part B installation, other than an installation where the operation of a small waste incineration plant is carried on; or (b) an installation where a solvent emission activity is carried on, other than -

<sup>&</sup>lt;sup>1</sup> S.I. 2016 No. 1154

<sup>&</sup>lt;sup>2</sup> OJ No 33 4.02.2006, p 1.

<sup>&</sup>lt;sup>3</sup> OJ No. L334 17 12 10, p 17

i) a Part A(1) installation;

ii) a Part A(2) installation;

(iii) a Part B installation; or

(iv) an installation where the operation of a small waste incineration plant is carried on.

"mobile plant" means one of the following-

(a) Part B mobile plant, other than a small waste incineration plant; or

(b) mobile plant, not being Part B mobile plant, that is used to carry on a solvent emission activity;

"Part 1 reduced fee activity" has the meaning given in Part 1 of the Schedule; "Part 2 reduced fee activity" has the meaning given in Part 2 of the Schedule; "Part 3 reduced fee activity" has the meaning given in Part 3 of the Schedule; 3

"Part 4 reduced fee activity" has the meaning given in Part 4 of the Schedule;

"permit" means an environmental permit granted by a local authority under the Regulations and, unless otherwise stated, is a permit authorising the operation of an installation or mobile plant;

"reduced fee activity" means a Part 1 reduced fee activity, a Part 2 reduced fee activity, a Part 3 reduced fee activity or a Part 4 reduced fee activity;

"the Regulations" means the Environmental Permitting (England and Wales) Regulations 2016, and a reference to a numbered regulation, Section, Part or Schedule is a reference to a regulation, Section, Part or Schedule in those Regulations, and words and phrases in this Scheme have the same meaning as in those Regulations;

"Section" means a Section of Part 2 of Schedule 1 to the Regulations;

"substantial change" has the same meaning as in paragraph 5(5) of Schedule 5 to the Regulations;

"vehicle" has the meaning given by article 1 of Directive 70/156/EEC<sup>4</sup>.

# **Combined activities**

4.—(1) The following are treated as one activity for the purposes of this Scheme—

(a) Part B activities falling within the same Section that are, or will be, carried on at the same installation or by the same mobile plant;

(b) Solvent Emission Activities that are, or will be, carried on at the same installation or by the same mobile plant;

(c) one or more solvent emission activities that are, or will be, carried on at the same installation or by the same mobile plant as one or more activities falling within the following Sections—

<sup>&</sup>lt;sup>4</sup> OJ No L42, 23.2.70, p.1.

(i) Section 2.1 (ferrous materials);

- (ii) Section 2.2 (non-ferrous materials);
- (iii) Section 2.3 (surface treating metals and plastic materials);
- (iv) Section 6.4 (coating activities, printing and textile treatments);
- (v) Section 6.5 (the manufacture of dyestuffs, printing ink and coating materials);
- (vi) Section 6.7 (activities involving rubber);
- (vii) Section 6.8 (treatment of animal and vegetable matter and food industries);

(d) any Part B activity in column 1 of the following table carried on at the same installation or by the same mobile plant as any corresponding Part B activity in column 2—

#### Table 1

Activity	Corresponding activity	
One or more activities falling within	One or more activities falling within	
Section 2.1 (ferrous metals)	section 2.2 (non-ferrous metals)	
One or more activities falling within	One or more activities falling within	
Section 3.1 (production of cement and	Section 3.5 (other mineral activities)	
lime)		
One or more activities falling within	One or more activities falling within	
Section 3.6 (ceramic production)	Section 3.5 (other mineral activities)	
One or more activities falling within	One or more activities falling within	
Section 6.4 (coating activities, printing	Section 6.5 (the manufacture of dyestuffs,	
and textile treatments)	printing ink and coating materials)	
One or more activities falling within	One or more activities falling within	
Section 6.6 (timber activities)	paragraph (c) of Part B of Section 5.1 that	
	relates to the burning of waste wood	

(2) Where any Part 2 reduced fee activity, Part 3 reduced fee activity or Part 4 reduced fee activity is carried out on or at the same installation as any other reduced fee activity and those activities are treated as one activity by virtue of paragraph (1), the combined activities shall not be regarded as reduced fee activities for the purposes of this Scheme.

# PART 2

# Fees and advertising costs in relation to permit applications

## Application fee for a permit for an installation

**5.** The fee for an application for the grant of a permit to operate an installation is the sum of the fees payable for each Part B activity and each solvent emission activity to be carried on at that installation, as set out in Table 2.

#### Table 2

Part B activity or solvent emission activity	Fee payable for each activity
I. Any Part 1 reduced fee activity (other than those in items II and vehicle refinishers)	£155
II. PVR I and PVR II activities carried on at the same service station	£257
III. Vehicle refinishers(b), any Part 2 reduced fee activity, any Part 3 reduced fee activity or any Part 4 reduced fee activity	£362
IV. Any other Part B activity or any other solvent emission activity	£1650

## Application fee for grant of a permit for mobile plant

**6.**—(1) Subject to paragraph (2), the fee for an application for the grant of a permit to operate mobile plant is as set out in Table 3.

#### Table 3

Fee payable for each permit to operate
mobile plant
£1650 for a 1st permit
£1650 for a 2nd permit
£985 for a 3rd permit
£985 for a 4th permit
£985 for a 5th permit
£985 for a 6th permit
£985 for a 7th permit
£498 for an 8th permit and each subsequent
permit

(2) The fee for an application for the grant of a permit to operate mobile plant for any Part 2 reduced fee activity or Part 3 reduced fee activity is the fee that would be payable under article 5 for an application for the grant of a permit to operate an installation for that activity.

# Additional fees for a late application and where a regulation 33 direction is issued

**7.**—(1) Where an operator has been operating an installation without a permit in contravention of regulation 12, then in addition to the fee in article 5 the operator must pay—

(a) £71 in the case of an application for a permit authorising any reduced fee activity;

(b) £1188 in the case of an application for a permit authorising any other Part B activity or any other solvent emission activity;

(2) Where an operator has been operating mobile plant in contravention of regulation 12, in addition to the fee payable in article 6 the operator must pay £1188.

(3) Where a direction has been issued under regulation 33 whereby a local authority is to exercise Environment Agency functions in respect of a single permit covering —

(a) Part B activities and waste operations; or

- (b) solvent emission activities and waste operations; or
- (c) Part B activities, solvent emission activities and waste operations,

then for any activity described in item III or item IV of Table 2, the operator must pay £279 in addition to the fee payable at item III or item IV.

## Fee for the application for variation of permit

**8.**—(1) For an application under regulation 20, which the local authority considers, if granted, would involve a substantial change, the fee for the purposes of regulation 65(1)(a)(ii) is—

(a) £102, in the case of a permit authorising any reduced fee activity;

(b) £1050, in the case of a permit authorising any other Part B activity or any other solvent emission activity.

(2) If the local authority considers that any application to vary a permit will, if granted, authorise a substantial change in the operation of an installation which in itself meets any of the thresholds specified for a Part B activity or a solvent emission activity, the fee is £1650.

## Fee for the application for a transfer of a permit

**9.**—(1) The fee for an application for the transfer of a permit from the operator to another person, other than for a transfer for a fixed period under paragraph (2) of a whole Part B mobile plant permit, is as set out in the Table 4.

#### Table 4

Application	Fee payable	
Transfer of a permit authorising a	£47 for a partial transfer	
reduced fee activity	(No fee payable for a total transfer)	
Transfer of a permit authorising any	£497 for a partial transfer, and	
other Part B activity or any other	£169 for a total transfer	
solvent emission activity		

(2) On a joint application for the transfer of a Part B mobile plant permit from the operator to another person ("the plant user") for the fixed period of the hire of that mobile plant, the plant user shall pay to the authority that issued the permit to the operator the following fee— (a) £53 on a first such application between the plant user and operator:

(b) following the first application-

(i) where the same plant user and operator jointly apply for a second time to the same authority for a further fixed period transfer, no fee, unless there is evidence available to the local authority of previous non-compliance; or

(ii) where the joint application is made either by different parties, to another authority, or where there is evidence of previous non-compliance,

the sum of £53.

(3) The fees specified in paragraph (2) cover both the transfer to the plant user and the subsequent transfer of the permit to the operator after the expiry of the fixed period.

## Surrender of a permit

**10.** No fee is payable for a notification of the surrender of a permit.

## **Reimbursement of advertising costs**

**11.** An operator who has made an application under the Regulations must reimburse the actual costs of the local authority in circumstances where the authority has considered it appropriate to inform public consultees by advertising the application in accordance with paragraph 6(1)(a) of Part 1 of Schedule 5.

#### PART 3

# Subsistence charge

#### **Financial year**

**12.** In this Part, "financial year" means the period of 12 months ending on 31st March.

## Payment of subsistence charge

**13.**—(1) Subject to paragraph (3), the operator must pay an annual charge to the local authority in respect of the subsistence of each permit that it holds (in this Part, referred to as the "subsistence charge") in accordance with regulation 65(1)(c).

(2) The subsistence charge is payable in full notwithstanding the partial or total suspension or cessation of any Part B activity or solvent emission activity at the installation or by the mobile plant to which the permit relates during the financial year.

(3) A person described in article 10(2) as a plant user who obtains a transfer of a Part B mobile plant permit for a fixed period shall not be liable to pay any subsistence charge for that fixed period as the subsistence charge for the whole of the year will remain the responsibility of the operator.

# Amount of subsistence charge payable: installations

**14.**—(1) The subsistence charge in respect of each permit for an installation is the sum of —

(a) subject to article 19, the charge for each Part B activity and solvent emission activity authorised by the permit, as set out in Table 5, where "low risk", "medium risk" and "high risk" are categorised in accordance with the methodology and have the meanings set out in the document entitled 'LAPPC Risk Method'(**a**);

(b) where the operator carries on an operation that falls within the reporting obligations of the EC Regulation, the sum of £104 to cover the authority's cost of collection, quality assurance checking and processing the reported data on pollutants and off-site waste transfers; and

(C) where a direction has been issued under regulation 33 whereby a local authority is to exercise Environment Agency functions in respect of a single permit covering—

(i) Part B activities and waste operations; or

(ii) solvent emission activities and waste operations; or

(iii) Part B activities, solvent emission activities and waste operations,

then an additional subsistence charge is payable which shall be £104 if the activity is a "low" risk activity, £156 if the activity is a "medium" risk activity, and £207 if the activity is a "high" risk activity.

#### Table 5

Authorised Part B activity or solvent emission activity		Charge for each activity	
Low		Medium	High
I. Any Part 1 reduced fee activity (other than those in items II & vehicle refinishers)	£79	£158	£237
II. PVR I & II activities carried on at same service station	£113	£226	£341
III. Vehicle refinishers , any Part 2 reduced fee activity, any Part 3 reduced fee activity or any Part 4 reduced fee activity	£228	£365	£548
IV. Any other Part B activity or any other solvent emission activity	£772	£1161	£1747

(2) Where, as at 1st April in any year, it is established that, in the previous 12 month period, there has been a change of operator of a reduced fee activity that has previously been classified as low risk, an additional fee of £78 shall be payable by the new operator to cover the costs of an additional local authority visit to check whether the activity can continue to be classified as low risk.

(3) In the case of an operator who has made a payment of subsistence charge for a Part A activity that has become a Part B activity to be carried on at a Part B installation, there shall be deducted from the subsistence charge the portion of that amount that relates to the period coinciding with the date of issue of the permit to the end of the financial year, and any instalment due in respect of that Part A activity at the date the Part B permit is issued ceases to be payable, and the new subsistence charge shall be payable in accordance with article 17(2).

#### Amount of subsistence charge payable: mobile plant

**15.**—(1) Subject to article 15(2) and article 18, the subsistence charge in respect of each permit for mobile plant is as set out in Table 6.

Number of Permits		Subsistence fee for each permit	
	Low Risk	Medium Risk	High Risk
1st Permit	£626	£1034	£1551
2nd Permit	£626	£1034	£1551
3rd Permit	£385	£617	£924
4th Permit	£385	£617	£924
5th Permit	£385	£617	£924
6th Permit	£385	£617	£924
7th Permit	£385	£617	£924
8th and	£198	£314	£473
subsequent			
Permits			

#### Table 6

(2) The subsistence charge in respect of each permit for mobile plant for any Part 2 reduced fee activity or Part 4 reduced fee activity is the same subsistence charge that would be payable under article 14 if that activity was carried on at an installation.

#### **Timing of payments**

**16.**—(1) Subject to the provisions of articles 17 and 19, the subsistence charge is payable— (a) in full by 1st April in the financial year in which the permit is held; or

(b) in four equal instalments by 1st April, 1st July, 1st October and 1st January of that financial year.

(2) If the subsistence charge is paid in instalments, the total amount of subsistence charge payable in that financial year is increased by £38.

## Payment in year permit is granted

**17.**—(1) In the financial year in which the permit is granted, the subsistence charge is payable—(a) in full on the date the permit is received; or

(b) in instalments by 1st April, 1st July, 1st October and 1st January of that financial year.(2) The amount of subsistence charge payable in the financial year in which the permit is granted is calculated by multiplying the number of complete calendar months remaining in that financial year at the date the permit is granted by one twelfth of the full yearly subsistence charge as set out in this Part.

(3) If the subsistence charge is paid in instalments, the total amount of subsistence charge payable in that financial year is increased by £38.

## **Reduced subsistence charge**

**18.**—(1) The operator of an installation or mobile plant may apply to the local authority to pay the subsistence charge at a reduced rate (in this Part, referred to as the "reduced subsistence charge").

(2) The reduced subsistence charge shall be forty per cent (40%) of the full subsistence charge.

(3) The reduced subsistence charge is payable by the operator if, without surrendering its permit:(a) it carries on the Part B activity or solvent emission activity below the relevant threshold requiring a permit; or

(b) it has temporarily ceased carrying on the Part B activity or solvent emission activity but will preserve the necessary equipment in order to resume carrying on that activity at a future date; and

(c) (i) the circumstances set out in point (a) or (b) above subsist for at least 12 months; and (ii) there is no breach of condition in the permit which, in the local authority's opinion, may result in a significant negative effect on human beings or the environment,

((a) or (b) and (c) shall be referred to as the "qualifying criteria").

(4) If the local authority accepts that the qualifying criteria are satisfied, it shall notify the operator in writing that it may pay the reduced subsistence charge.

(5) The operator must notify the local authority immediately in writing if the qualifying criteria no longer apply.

(6) If the qualifying criteria cease to apply within 12 months from the date of the acceptance notice, the operator shall repay to the local authority:

(a) for the period it has benefited from the reduced subsistence charge, the difference between the full subsistence charge the operator would have paid (had it not satisfied the qualifying criteria) and the reduced subsistence charge actually paid; and

(b) a £52 administration fee.

## Late payment charge

19. Where—

(a) a local authority has issued an invoice to an operator for the payment of the subsistence charge or instalment of the subsistence charge under this Part; and

(b) payment of the subsistence charge, or instalment of the subsistence charge, is not received within 8 weeks beginning with the date of issue of the invoice,

the operator must pay a late payment charge of £52.

#### PART 4

# **Refunds of fees and subsistence charges**

## Refund of application fees for the grant of a permit

**20.**—(1) The local authority must, as soon as practicable, refund in full any application fee paid under articles 5 or 6 if, before a permit has been issued—

(a) the Secretary of State issues a direction pursuant to regulation 33 transferring the functions of the local authority in respect of installations or mobile plant to the Environment Agency; or

(b) the Part B activity or solvent emission activity for which the permit is sought— (i) ceases to be regulated under the Regulations; or

(ii) is reclassified under the Regulations to fall under the control of the Environment Agency.

(2) Where an application for a permit relates to—

- (a) more than one Part B activity; or
- (b) more than one solvent emission activity; or
- (c) one or more Part B activities and one or more solvent emission activities,

a refund must be paid in respect of each Part B activity and each solvent emission activity that ceases to be regulated or is reclassified in accordance with paragraph (1).

## Refund of fees for application for a variation of a permit

**21.** The local authority must, as soon as practicable, refund in full any fee paid under article 8 if, before a variation is made—

(a) the Secretary of State issues a direction pursuant to regulation 33 transferring the functions of the local authority in respect of installations or mobile plant to the Environment Agency; or

(b) the Part B activity or solvent emission activity authorised by the permit—

(i) ceases to be regulated under the Regulations; or

(ii) is reclassified under the Regulations to fall under the control of the Environment Agency.

#### **Refunds of subsistence charges**

**22.**—(1) The local authority must, as soon as practicable and in accordance with this article, refund any subsistence charge paid by the operator under Part 3 if—

(a) the Secretary of State issues a direction pursuant to regulation 33 transferring the functions of the local authority in respect of installations or mobile plant to the Environment Agency; or

(b) the Part B activity or solvent emission activity authorised by the permit in respect of which subsistence charge has been paid—

(i) ceases to be regulated under the Regulations; or

(ii) is reclassified under the Regulations to fall under the control of the Environment Agency.

(2) The amount of refund payable is calculated as follows —

(a) the total annual subsistence charge minus one twelfth of the total charge multiplied by every calendar month remaining from 1st April to the relevant date; or

(b) where the subsistence charge is being paid in instalments, the amount of the instalment last due minus one third of that amount for each complete month from the date that instalment was due to the relevant date.

(3) Any instalments of subsistence charge that have not become payable before the relevant date, cease to be payable.

(4) In this article, the "relevant date" means the date on which the Secretary of State issues a direction under regulation 33, or a Part B activity or solvent emission activity ceases to be regulated or is reclassified in accordance with paragraph (1)(b).

## Other refunds

**23.** The local authority must not refund any fee or subsistence charge other than in accordance with the provisions of this Part or the guidance issued by the Secretary of State in respect of reduced subsistence charges entitled "Guidance on Reduced Charges due to Mothballing or Reduced Operating Levels" last amended March 2012.

Harriet Wallace Deputy Director, Department for Environment, Food and Rural Affairs

8 August 2017

#### SCHEDULE

#### Part 1 reduced fee activities

- 1. In this Scheme "Part 1 reduced fee activities" means one of the following-
  - (a) dry cleaning (Annex VII of Directive  $75/2010/EC^{5}$ );

(b) unloading of petrol into stationary storage tanks at a service station (paragraph (c) of Part B of Section 1.2) (Gasification, liquefaction and refining activities) ("PVR I");

- (c) motor vehicle refuelling activities at new and existing service stations (paragraphs (d) to (f) of Part B of Section 1.2) (Gasification, liquefaction and refining activities) ("PVR II");
- (d) the coating of all, or any part of, a vehicle that—
  - (i) is carried on as part of vehicle repair, conservation or decoration, other than in a manufacturing installation; and
  - (ii) falls within paragraph (b) of Part B of Section 6.4;

which shall be referred to in this Scheme as "vehicle refinishers".

#### Part 2 reduced fee activities

2. In this Scheme "Part 2 reduced fee activities" means one of the following—

(a) Manufacture of heavy clay goods (Part B of Section 3.6);

(b) Exfoliation of vermiculite and expansion of perlite (paragraph (a) of Part B of Section 3.5);

(c) Roadstone coating processes (paragraph (e) of Part B of Section 3.5);

(d) Crushing and screening (paragraphs (c) and (d) of Part B of Section 3.5);

(e) China and ball clay processes including spray drying of ceramics (paragraph (a) of Part B of Section 3.5);

(f) Manufacture of timber and wood-based products (Part B of 6.6).

#### Part 3 reduced fee activities

**3.** Subject to paragraph 5, in this Scheme "Part 3 reduced fee activity" means one of the following—

(a) Blending, packing, loading, unloading and use of cement (paragraphs (a) and (b) of Part B of Section 3.1 and paragraph (f) of Part B of 3.5), other than an activity that is, or will be, carried on at an installation which has a silo with a design capacity exceeding 500 tonnes;

(b) Coal, coke, coal product and petroleum coke processes (paragraph (b) of Part B of Section 3.5), other than an activity in which the throughput of coal is, or is likely to, exceed 250,000 tonnes over any 12-month period;

(c) Quarry processes (paragraph (a) of Part B of Section 3.5), other than an activity where the mass of processed material exceeds or is likely to exceed, 100,000 tonnes;

<sup>&</sup>lt;sup>5</sup> OJ No. L334 17 12 10, p 17.

(d) Mineral drying and cooling (paragraph (a) of Part B of Section 3.5).

**5.** Any activity that is, or will be, carried on at mobile plant, shall not be treated as a reduced fee activity for the purposes of this Scheme.

#### Part 4 reduced fee activites

6. "Part 4 reduced fee activity" means one of the following-

(a) Powder coating (including sherardizing and virtreous enamelling) which is likely to involve the use in any 12-month period of 20 or more tonnes of paint or other coating material which is applied in solid form (paragraph (a) of Part B of Section 6.4);

(b) Breeding maggots in any case where 5 or more kilograms of animal matter, vegetable matter or both in aggregate are introduced into the process in any week (paragraph (b) of Part B of Section 6.8);

(c) The production of natural sausage casings, tripe, chitterlings and other green offal (paragraph (a) of Part B of Section 6.8);

(d) Fish meal and fish oil processes (paragraph (a) of Part B of Section 6.8);

- (e) The manufacture of pet food (paragraph (a) of Part B of Section 6.8);
- (f) The compounding of animal feed (paragraph (a) of Part B of Section 6.8);
- (g) Tobacco processes (paragraph (a) of Part B of Section 6.8);
- (h) Bitumen processes (paragraph (a) of Part B of Section 6.3), other than-

(i) any activity involving oxidising bitumen;

- (ii) any activity involving incinerating bitumen fumes;
- (iii) any activity involving the manufacture of refractory products, or
- (iv) any activity that is carried out at mobile plant;

(i) Any activity for the polymerisation or co-polymerisation of any pre-formulated resin or pre-formulated gel coat which contains any unsaturated hydrocarbon, where the activity is likely to involve, in any 12-month period, the polymerisation or co-polymerisation of 100 or more tonnes of unsaturated hydrocarbon (paragraph (c) of Part B of Section 4.1), other than—

- (i) any activity involving the use of dicyclopentadiene;
- (ii) any activity involving the use of abatement plant for styrene emissions; or
- (iii) any activity involving the reclycling of acetone by distilling it on site.