

## **The Environmental Permitting Regulations 2016 (Mobile Lamp Crushing)**

**Department for Environment, Food & Rural Affairs**

**RPC rating: fit for purpose**

The IA is now fit for purpose as a result of the department's response to the RPC's initial review notice. As first submitted, the IA was not fit for purpose.

### **Description of proposal**

The Department is proposing to revise the rules for mobile crushing of lamps that contain mercury as set out under the T17 exemption in the Environmental Permitting Regulations. The revised rules will restrict the situations in which lamps can be crushed without a permit; this is a requirement under the EU Waste Framework Directive.

The preferred option (Option 3) is to revise the T17 exemption to reduce the amount of material that can be crushed in 24 hours from 3 tonnes to 2 tonnes per year. This would prevent large scale lamp crushing from being carried out without a permit.

The proposal is a non-qualifying regulatory provision.

### **Impacts of proposal**

The Department's best estimate of the total net present cost of the preferred option (Option 3) is £449,000, with an estimated annual cost to business of £52,000. The upper bound estimated cost is £1,059,000 with an associated estimated annual cost to business of £123,000.

The Department's estimate is based on:

- Mobile crushing machinery equipment cost: nationwide this will create an annual cost of £5,000 per business. Companies operating crushing machinery on their own sites will incur lower costs, estimated at less than £500 per business.
- Permitting cost: the application charge for a mobile plant permit is estimated at £3,610. The annual charge for compliance checking will be £2,490 per business.
- Administrative cost: there will be a one-off administrative cost to gather information for applying for the permit of £119 per business, and an annual cost associated with Environmental Agency inspections of £10 per company. There will also be a familiarisation cost of £3 per business associated with online registration for the new T17 waste exemption.

Additional upper bound costs are derived by including costs from switching from mobile lamp crushing to whole lamp crushing:

- Cost of arranging for lamps to be collected whole: an estimated cost of £1740 a year for single site whole lamp collection, and £581 a year for a single site crushed lamp collection. Additionally, there is assumed to be a one-off administration cost of £208 per business from arranging for lamp collection.
- Cost of changing business model to provide a whole lamp collection service: an estimated one-off transitional cost of £150,000.

Potential benefits derive from reducing the hazard to environment and human health associated with mobile crushing of lamps or facilitating equal market competition. These have not been quantified in this impact assessment.

### **Quality of submission**

The Department's assumptions and cost estimates appear reasonable. However, the benefits of this legislation have not been quantified as the impacts are likely to be small and uncertain. Given their likely scale it does not appear proportionate to expect the Department to provide a quantitative estimate.

The Department considers the measure to be non-qualifying for the business impact target because the preferred option does not go beyond the EU minimum requirement.

As first submitted, the RPC did not consider the submission to be fit for purpose because it did not provide information as to why the existing domestic regulations were no longer considered to meet minimum EU requirements, nor did it provide evidence to support the assessment that the preferred option does not go beyond the minimum EU requirements.

The Department has now provided further information regarding the Waste Electrical and Electronic Equipment (WEEE) Directive, which lays down measures to prevent or reduce the adverse impacts from generating and managing waste from electrical and electronic equipment (WEEE). The WEEE Directive supplements the Waste Framework Directive (WFD), and it follows that, domestic rules for crushing fluorescent lamps under the T17 exemption, must comply with the WEEE Directive with cross reference to, and within the framework of, the WFD.

This additional information clarifies why the current domestic regulations no longer meet EU requirements. The Department explains that it has reviewed the conditions attached to the T17 exemption and concluded that it is necessary to regulate to

reduce the threshold for waste quantities because the risks associated with the exemption in its current format are too high.

The RPC was also concerned that the preferred option (Option 3) goes beyond EU minimum requirements, because Option 3 had a marginally higher associated cost than one of the other options (Option 1 which set a higher threshold). However, in the evidence obtained from the consultation process, the Department found that *“Option 1 set a higher threshold for the amount of material that can be crushed under the T17 exemption...this would still allow larger scale operations to be carried out without a permit. [The Department] concluded that Option 1 would not meet minimum European requirements”*. Therefore, the Department concludes that the preferred option is the least burdensome EU minimum specification.

The RPC therefore bases its fit for purpose opinion on the assumption that the Department has taken a balanced view of the consultation evidence to conclude that Option 3 is the least burdensome approach to meeting the EU minimum specifications. In the context of the very low expected impact of this proposal, the evidence presented is on balance sufficient for the RPC to accept this conclusion. However, the IA would benefit from a better presented and more thorough evidence base to justify fully this conclusion.

As this is a non-qualifying regulatory provision, a small and micro business assessment is not required.

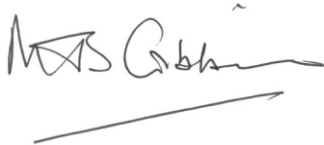
### Departmental assessment

Classification	Non-qualifying regulatory provision (EU)
Equivalent annual net cost to business (EANCB)	£52,000
Business net present value	-£449,000
Societal net present value	-£449,000 (benefits not monetised)

### RPC assessment

Classification	Non-qualifying regulatory provision (EU)
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EANCB – RPC validated <sup>1</sup>	£0.1 million
Small and micro business assessment	Not required



**Michael Gibbons CBE**, Chairman

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<sup>1</sup> For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.