

## **Amendments to land spreading standard rules**

### **Environment Agency**

**RPC rating: validated**

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

### **Description of proposal**

The Environment Agency (EA) amended its standard rules for the land spreading of agricultural waste by mobile plant. These changes involved revising waste storage limits for land spreading operators, restricting the temporary storage of waste, restricting the spreading of waste within groundwater safeguard zones (GSZs) and expanding the list of acceptable wastes.

### **Impacts of proposal**

The assessment explains that restrictions on the temporary storage of waste would require operators to use larger permanent storage facilities. The IA assumes that 28 new facilities will be needed at an average cost of £44,000, leading to an estimated one-off construction cost of £1.2 million. The total cost of applying for permits for these storage facilities is estimated to be £0.1 million, including the cost to operators of demonstrating technical competence. In addition, this rule amendment will result in the withdrawal of 30 temporary storage facilities, generating an annual saving of £60,000 in maintenance and associated costs.

Allowing deployments for areas greater than 50 hectares is expected to benefit land spreading operators. The assessment estimates that 10 fewer deployments would be required in the medium charge band of £780, equivalent to a saving of £7,800 a year. In addition, prohibition of land spreading in groundwater safeguard zones (GSZs), which is currently permitted under certain conditions, is expected to impose on operators a one-off cost of £10,000 for adapting practices. This estimate is based on the assumptions that 20 deployments would be relocated to land outside GSZs and that the incremental cost of this alternative land does not exceed £500 per deployment.

The amendments also require operators to pre-notify the EA of their intention to commence spreading. Taking into account the potential for multiple notifications, an average of 3 notifications per deployment is assumed. This gives 7,302 notifications across 2,434 deployments, at an assumed £3.20 cost of communicating via phone or email, annual cost is estimated to be £23,000.

Revising the list of acceptable wastes reduces the need for operators to obtain separate bespoke permits. The IA assumes that 30 bespoke permit applications would be avoided, which generates a one-off saving of £0.1 million. The revision is also expected to benefit business through lower deployment charges, because deployments of mobile plant under bespoke permits are charged at a higher rate. This saving is estimated to be £86,000 based on evidence from the EA's records on the number of deployments submitted for each active standard permit and the charge in each type of deployment band.

Aggregating the impacts of the proposal, the IA estimates an equivalent annual net direct cost to business (EANDCB) of zero, when rounded to the nearest £0.1 million.

## **Quality of submission**

Following the regulator's response to the RPC's initial review, the revised assessment provides sufficient evidence for the RPC to be able to validate a rounded EANDCB of zero. The assessment provides a helpful summary of costs and benefits, collating the various impacts of each standard rule amendment.

As initially submitted, the assessment included savings of £3.8 million for the avoided cost of obtaining additional permits as a result of increased storage quantity limits (to 3,000 tonnes per deployment) as a direct benefit to business. However, evidence provided by the regulator indicated that *'under the existing standard rules, many operators were relying on storage of up to 3,000 tonnes of waste per deployment rather than per permit'* (page 3). As these businesses were not compliant with existing requirements, the avoided cost of obtaining additional permits should not have counted towards the EANDCB. The revised assessment now takes account of actual compliance levels and removes these savings from the EANDCB.

The original assessment also estimated a £39,000 annual saving to business as a result of land in excess of 50 hectares being utilised for nitrogen fertilisation. However, the percentage uptake assumption underlying this estimate was not supported by explanation or evidence. In its revised assessment, the regulator states that it has not been able to quantify the level of uptake of this saving robustly. As a

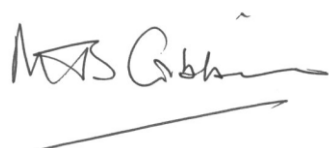
result, this element is no longer included as a benefit to business, though this does not affect the overall EANDCB figure.

### Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net direct cost to business (EANDCB)	Zero
Business net present value	‑£0.3 million

### RPC assessment<sup>i</sup>

Classification	Qualifying regulatory provision (IN)
EANDCB – RPC validated	Zero
Business impact target score	Zero



**Michael Gibbons CBE**, Chairman

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