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Wales

Consultation on Materials Facilities Charges 2014

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Executive summary

Natural Resources Wales has powers under legislation to recover the costs of some of its services. Under these powers, people and organisations that require an environmental permit or specific services pay for the cost of the service, rather than it being funded from general taxation.

We are seeking your views on charging for the monitoring of certain Materials Facilities following a recent amendment to the Environmental Permitting (England and Wales)(Amendment) Regulations 2014.

The regulations affect approximately 30 existing waste permit holders in Wales. Operators are required to sample, record and report on a quarterly basis by electronic methods. The role of Natural Resources Wales is to conduct inspections to assess the robustness of an operators reporting process.

The charge (£2,065 per annum), proposed in this consultation, is to cover the expected regulatory costs of a planned annual inspection, an unplanned annual inspection and to take any follow up action with operators who need help with compliance. This is in line with the requirements of the regulations. The charge also funds management of operators' reported data.

Material Facilities

1.1. Introduction

We are required by Government to recover the costs of our regulatory services from the businesses we regulate.

An amendment has been laid in Parliament and in the National Assembly for Wales to the Environmental Permitting Regulations, setting mandatory sampling and reporting requirements for certain qualifying Materials Facilities. The amendment, the Environmental Permitting (England and Wales) (Amendment) Regulations 2014 became law in March 2014, with the Schedule covering Materials Facilities requirements coming into force from October 2014.

The Regulations require qualifying Materials Facilities to sample the incoming wastes and the recycling streams they produce, assess the quality and report the data to us. This will be an enforceable condition introduced by the Regulations.

1.2. What changes does the new legislation introduce?

The amendment requires Materials Facilities operators to self assess whether their facility qualifies. Where they do, it varies the permits to impose the new requirements without the need for NRW-led variations.

For each quarterly reporting period commencing after 30 September 2014, the operator of a Materials Facility must assess the amount of mixed waste material that facility is likely to receive during an annual reporting period having regard to:

- the amount of mixed waste material received at that facility during the preceding 12 months, and
- the anticipated amount of mixed waste material that will be received by that facility during the next 12 months.

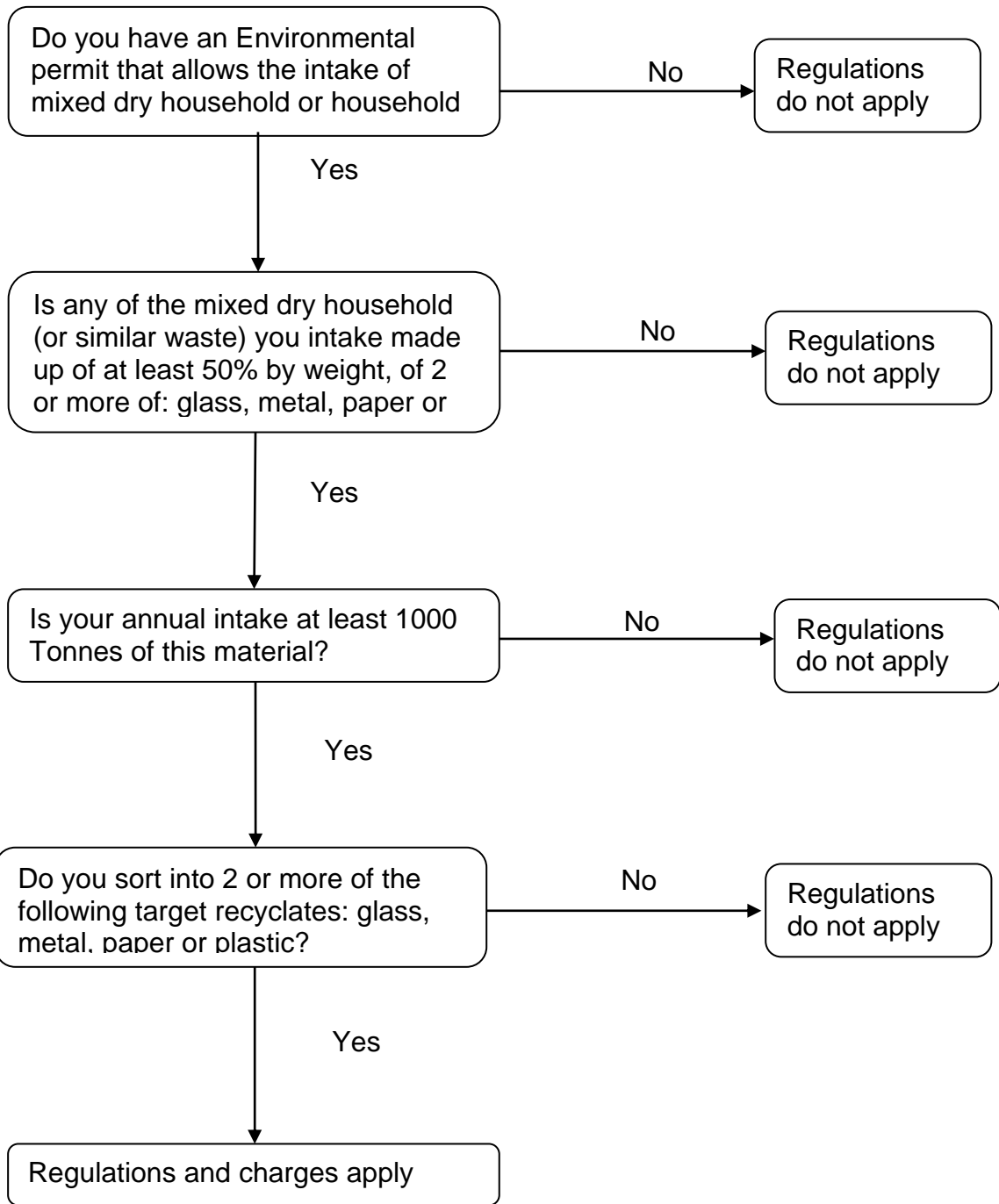
The operator must assess at the start of the quarterly reporting period and is responsible for notifying us by no later than the end of the quarterly reporting period. Notification continues until withdrawn, so an ongoing notification will not require repeated notice. An operator may withdraw notification at any time if circumstances change and the operator is not likely to fulfil the applicable conditions.

If a facility qualifies, the operator must notify us and sample, record and report quarterly data. Operators have until September 2014 to prepare their sampling, measurement and reporting systems. From October 2014 operators will have to sample and measure mixed waste inputs and recycling output streams, in accordance with requirements set in the regulations amendment and explained in forthcoming guidance to be published by the Waste Resources Action Programme (WRAP).

Quarterly reporting will be through electronic methods. Operators who do not comply with these requirements will be advised of their responsibilities and may face enforcement action if there is continued non-compliance. We will check quarterly reports have been made as required and the data may be published to provide a comparison across all the facilities.

1.3. Which Materials Facilities qualify?

The following flowchart will show whether the new regulatory requirements apply to you.



1.4. Which Materials Facilities are unaffected?

You will not be affected by the regulations if your operation is limited to:

- Waste transfer or bulking activities not involving sorting.
- Sorting just one stream of, for example, paper does not qualify as a mixed waste.
- Incoming waste is unlike household or does not contain the target materials.
- Household waste recycling facility (civic amenity site).
- Placing incoming waste in specific piles/bays is not sorting for the purpose of these regulations.
- Industrial material recovery facility taking large sized waste (e.g. in skips), not comprising household or household-like waste.
- Only treating residual waste ('dirty' Materials Facilities), tending to be black bag mixed and wet waste - not dry recyclables.
- Mechanical Biological Treatment (MBT) unless Mixed Waste Material is accepted for any MRF operations that form part of the process.
- Refused Derived Fuel plant without a sorting facility.
- Waste Electrical and Electronic Equipment, waste batteries and accumulators are excluded.
- Separating only materials from construction and demolition waste (i.e. a C&D MRF)

The requirements only apply to permitted Materials Facilities. They do not apply to exempted facilities.

Question 1: Do you feel that you have enough information to understand whether you meet this new requirement?

1.5. What does the Material Recovery charge cover?

The charge would be levied annually at a rate of £2,065 per annum. It has been set at a level to recover our regulatory costs which we expect to include:

- One pre-arranged inspection.
- One unannounced inspection per year for each site as a minimum.

We would also expect to carry out further visits to those sites that we consider non-compliant.

The visits would check sampling, measuring and recording systems to ensure reported data is representative. We have also made a provision for managing operators' reported data.

Following review of any consultation responses, we intend to publish an interim charging scheme addendum. This scheme would remain in place until April 2016 (and subject to

any general review of our charging schemes in that period) to allow NRW to fully explore future options that may be available for charging schemes for 2016/17 onwards.

Question 2: Do you support our proposal to recover our regulatory costs by charging applicable facilities at £2,065?

Question 3: When business has had a chance to embed the reporting arrangements, would you support more targeted inspections and charges in future?

Question 4: Would you support integration of future charges for MF regulations within a wider charging scheme for Environmental Permitting?

We would consult on any such changes.

1.6. When does billing take place?

Charges will be raised in April of each year (with the exception of Year 1 – see below), covering those permit holders that have notified for any reporting period during the previous calendar year. This will be based on reports taken at the end of each quarterly reporting period, the first period being 1 October 2014 to 31 December 2014.

In the first year of charging, invoices will be issued during October 2014, relating to the period ending 31 March 2015. The charge will be at a reduced rate (£1,035) to reflect the regulations coming into effect half way through the year. From April 2015, we will charge at the full annual rate applicable, currently proposed to be £2,065.

There will be no refunds or pro-rata charges, other than in the first year as outlined above.

1.7. How to notify

We will contact those operators we think qualify, but we do not hold all the information necessary to identify all of them. Operators who think they qualify, having studied the guidance, should notify us at as soon as possible and at the latest by the end of December 2014. The responsibility to notify lies with operators and our local staff can advise on the criteria.

Send your notification to enquiries@naturalresourceswales.gov.uk. When notifying, please put "MF Notification" followed by the site name in the email or letter subject line. You must give: permit number, operator name, site name, site address including post code and your contact details including a telephone number in case we need to check anything with you.

1.8. Links

For further information, please see:

The Environmental Permitting (England and Wales) (Amendment) Regulations 2014 on the legislation uk website

Department for Environment, Food and Rural Affairs (Defra): Guidance for Materials facilities: how to report on mixed waste sampling on the GOV UK website

Waste and Resources Action Programme (WRAP)'s Sampling and Testing Guidance for Materials Facilities on the WRAP website.

2. Invitation to consultees

We welcome comments from consultees on the proposals outlined. Your comments, and our responses, will form part of our formal submission to Welsh Government for approval of any charging scheme addendum.