

4.5 Baseline subsistence charges (compliance stage)

We have set our baseline charges to recover the full costs of the functions we perform in regulating those permits that operate at the 'expected' compliance level.

We use a mix of different regulatory interventions to make sure permits are complied with and that any standards set in the permit remain appropriate.

We split permits into a number of different categories to reflect our different levels of regulatory effort at the compliance stage, reflecting the mix of compliance interventions that we must use to manage the risks to the environment posed by that activity. The factors that consistently lead us to define our approach at a regulated facility are:

- the nature of the activity
- the scale of the activity

We have developed baseline charges for compliance for each of our permit categories; these are listed in the tables of charges in the schedule to the charging scheme. These fixed charges aim to cover the wholly predictable and planned regulatory activity that will be required when regulating permits in each category.

4.6 Supplementary subsistence charges (compliance stage)

Baseline subsistence charges cover those regulatory costs that we would always expect to incur in regulating a particular permit category. Additional costs can be incurred when one-off or uncommon situations arise. In such circumstances we propose to levy additional supplementary charges. In this way, the baseline subsistence charges can be set at the minimum level.