

1. Introduction

The Environment Agency has powers under legislation to recover the costs of some of its activities. Under these powers people and organisations that require environmental regulation pay for the cost of the service, rather than it being funded from general taxation.

The proposals in this consultation follow various changes implemented in April 2018 to a suite of charging schemes as a result of our Strategic Review of Charges (SRoC) programme. The SRoC set out to simplify the way customers work out their charges - it has helped make the system less complicated and charges are now calculated in a consistent way for different regimes, using the same basis for everyone.

This consultation document sets out proposed changes from April 2019 for the following regulatory regimes:

- Environmental Permitting (England and Wales) Regulations 2016 ('the EP Regulations') including Closed Landfill, Radioactive Substance Regulations (RSR), and other EP Regulations changes
- The Environmental Protection (Disposal of Polychlorinated Biphenyls and other Dangerous Substances) (England and Wales) Regulations 2000
- Water Abstraction - Dee and Wye Standard Charge only
- EU Emissions Trading Scheme
- Producer Responsibility: WEEE Compliance scheme

We have consolidated these charge proposals into one consultation so that they are easier to find and it is easier for customers to see any linkages between them. However, we anticipate that most customers will only have an interest in one or other of the regulatory regimes covered. Please use the contents page to find aspects of interest to you and respond only on those matters that are relevant to you.

Some of the proposed changes are designed to add clarity to schemes introduced following the SRoC or accommodate subsequent changes in costs of regulatory approaches. Other changes relate to schemes that were not included in the SRoC. We will continue to ensure that:

- people only pay for the regulatory service they receive; this is the biggest factor in the change in costs for our charge payers
- we offer optional enhanced services that customers may want to use
- we reduce reliance on taxpayer funds currently needed to support our regulatory work

In preparing this consultation we have taken account of a range of factors including the need to:

- look for efficiencies in how work is carried out
- ensure cost reflectivity of charges and align with HM Treasury rules in 'Managing Public Money' (MPM) guidance
- exercise our regulatory functions, having regard to the desirability of promoting economic growth (under s108 of the Deregulation Act 2015)
- ensure our regulatory activities are transparent, accountable, proportionate, consistent and targeted only at cases where action is needed (under the Legislative and Regulatory Reform Act 2006)
- ensure we follow the Regulator's Code published under section 22 of that 2006 Act

We continue to be aware of the potential impact our charges have on those we regulate and business as a whole. We have reviewed our charges against the need to deliver our regulatory duties and have sought to minimise any changes to the charges that we established in 2018. In the main we have been able to freeze those charges at 2018 levels and it is our aim to continue to do so, as we offset inflationary pressures by seeking further efficiencies within our business.

This consultation is in line with the government's consultation principles and will run for eight weeks. We have asked a number of specific questions to which we welcome your feedback and we have also provided an opportunity for you to explain your answers. Your responses will play an important part in developing our final proposals and informing our submission to the Secretary of State for approval.

On 23 June 2016, the EU referendum took place and the people of the United Kingdom voted to leave the European Union. Until exit negotiations are concluded, the UK remains a full member of the European Union and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation in future once the UK has left the EU.