



Natural Resources Wales

Regulatory charge proposals

For April 2027/28

Dated: October 2026

Contents

Contents	2
Share your views on proposed Regulatory charges	2
About Natural Resources Wales	3
Safeguarding Wales's environment	3
Funding environmental regulation responsibly and fairly	4
Annual review of charging for 2027/28.....	5
Proposed Regulatory Fees and Charges for 2027/28.....	6
Managing forecast deficits and future charging reviews	6
Marine Licensing Non-statutory advice rate.....	8
UK Emissions Trading Scheme (UK-ETS) - Technical changes.....	8
Responding to this consultation	9
What happens to your response	9
Next steps.....	9

Share your views on proposed Regulatory charges

We want to hear your views on our proposed changes to regulatory fees and charges. Your feedback will help us make sure our proposals are fair, transparent and effective.

After the consultation, we will consider your feedback before finalising our proposed charging scheme and seeking approval from Welsh Ministers. Subject to this approval, the updated charges will take effect from 1 April 2027.

This consultation opened on Wednesday 14 October 2026 and closes at 23:59 on Monday 11 January 2027.

About Natural Resources Wales

Our purpose is to pursue the sustainable management of natural resources. This means looking after air, land, water, wildlife, plants, and soil, to improve wellbeing, and provide a better future for everyone in Wales.

We believe that natural resources should be used responsibly, in a way and at a rate that strengthens the resilience of our ecosystems and the benefits they provide, meeting the needs of current generations without compromising the ability of future generations to meet their needs.

Our work is guided by [our corporate plan to 2030: nature and people thriving together](#).

The plan focusses on three main themes:

1. Supporting nature's recovery

Nature recovery is a long-term effort. We've started to see early progress, but we are still at the beginning of a much bigger journey.

2. Building resilience to climate change

Building resilience to climate change is one of the biggest challenges facing Wales by expanding nature-based solutions, supporting renewable energy and helping industry cut emissions, all backed by stronger evidence and better ways of working.

3. Minimising pollution

Minimising pollution and preventing environmental harm is a long-term challenge that affects everyone in Wales. It is key to improving the quality of our environment and supporting the health of people and nature.

To achieve these goals priority will be given to scaling up delivery of actions to deal with climate change across Wales. This includes expanding delivery of nature-based solutions across peatland, marine, coastal and catchment environments and strengthening the performance and reach of flood warning services. Work will also continue to support renewable energy development and enable wider application of low carbon technologies through clearer guidance and improved regulatory processes.

Safeguarding Wales's environment

Natural Resources Wales (NRW) plays a crucial role in protecting Wales's environment and preventing environmental harm for the benefit of our communities, businesses, and future generations. As the pressures from climate change and biodiversity loss increase protecting our environment is becoming more important and more complex.

Our regulatory services provide a foundation that prevents environmental harm and ensures a level playing field for businesses. Effective regulation helps make sure that business which follow the rules are not put at a disadvantage by those operating illegally.

We assess and determine permit applications and set conditions to protect the environment. We also monitor activities to make sure environmental laws and standards are being followed. These activities help us protect and maintain a high-quality,

sustainable environment. We use evidence to inform our decisions and support our response to the nature and climate emergencies.

We focus our regulatory work on the activities and locations that present the greatest risk to the environment. We monitor those we regulate to make sure they meet the conditions of their permits or licences and carry out compliance work where needed. This work is normally funded through annual subsistence charges.

Where we identify non-compliance, we can take a range of actions to bring those we regulate back into compliance. Where necessary and proportionate, we may also take enforcement action including prosecution.

Through evidence-based decision making and proactive regulation, we are working to create a fair, resilient, and thriving environment for Wales, now and for future generations.

Funding environmental regulation responsibly and fairly

Our Regulatory work is funded through a combination of Welsh Government grants, known as Grant in Aid, and charges levied on those we regulate, where legislation allows us to charge.

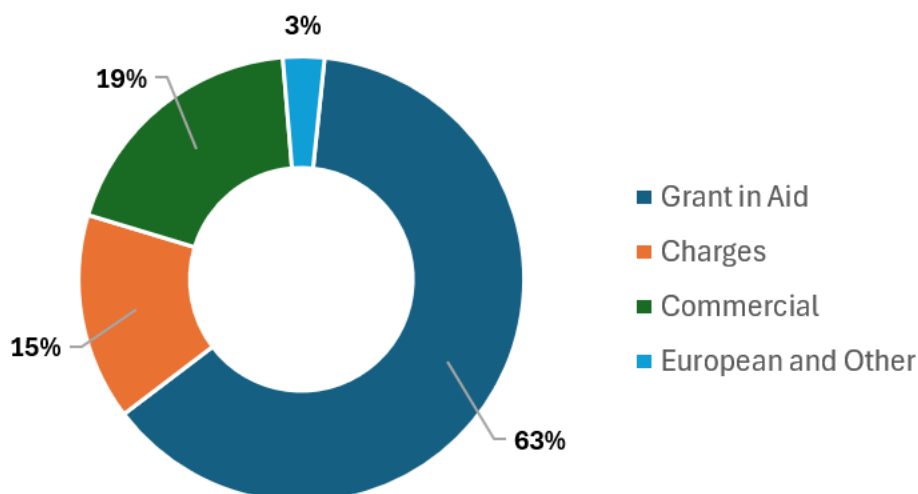
*Managing Welsh Public Money*², published by Welsh Government sets out the principles NRW must follow when managing funding and recovering the costs of our services. Where possible, we aim to recover the full cost of our regulatory services through charges paid by those we regulate, rather than through general taxation. The income we receive from these charges can only be used to fund the regulatory service the charge relates to.

Regulatory fees and charges make up approximately 15% of our total funding for 2026/27. Details of our current charging schemes are available on our website¹.

¹ [Natural Resources Wales / Our charges](#)

² [Managing Welsh Public Money](#)

Figure 1 – Breakdown of NRW's £321 Million Budget for 2026/27



Annual review of charging for 2027/28

For 2027/28, we are consulting on changes to our charges to reflect rising costs and address shortfalls in areas where charges do not currently recover the full cost of providing the regulatory service. This will help make sure our charging schemes remain financially sustainable.

We are carrying out a wider review of subsistence (annual compliance) charges. This will look at the cost of delivering our regulatory services, and whether our charges appropriately recover those costs. This will help make sure that we have sustainable funding to carry out our regulatory duties. We have started a programme of work that will carry out in-depth reviews of Water Quality and Water Resources subsistence charges. Once these are completed, we will move on to review subsistence charges for Industry Regulation and Waste.

As well as reviewing our subsistence charges, we are taking a wider look at our approach to charging. This includes considering whether charges should apply to some enforcement activities where recent changes in legislation, such as the Water (Special Measures) Act, allow us to do so.

We are continuing to improve our regulatory services to make them easier to use and more efficient to deliver. In 2026, we launched a new online Marine Licensing service as part of our wider ambition to improve our digital services.

The online service allows users to create an account, submit and pay for applications, track their progress and view licence documents, all in one place.

We will continue to identify improvements based on feedback from people who use and deliver our services. We will also explore opportunities to introduce similar improvements across other regulatory services in the future.

The proposals for 2027/28 review have been guided by our charging principles:

- **Full cost recovery** – Charges reflect the full cost of providing our services, including permit applications and subsistence (annual compliance assessments).
- **Transparency** – We have been transparent in how we have made our charging decisions.
- **No cross-subsidisation** – Each regulatory regime is funded by its own charges, maintaining fairness across sectors.
- **Support for long-term planning** – Wherever possible, we support long-term planning, providing resilience for the future and certainty for charge payers.
- **Balanced financial management** – We actively manage surpluses and deficits to avoid sudden fluctuations in charges.
- **Efficiency** – A continued focus on streamlining processes helps keep charges as low as possible.
- **Not-for-Profit approach** – We do not generate profit from charge payers.
- **Independence from taxpayer subsidies and based on ‘polluter pays’ principles** – Our funding model aims to minimize reliance on public funds.

Proposed Regulatory Fees and Charges for 2027/28

Managing forecast deficits and future charging reviews

From 1 April 2027, we propose to keep our regulatory charges at their current levels wherever possible. However, some charges will need to change to reflect rising costs and to ensure that regulatory regimes recover the costs of providing those services.

Our ongoing annual charge review has highlighted the following areas where we need to change our charges for 2027/28:

Permitting (application) charges

We are proposing a **+3.5% increase** in the following permitting areas in line with inflation and other cost pressures:

- Water Resources (abstraction & impoundment)
- EPR Installations (including Medium Combustion Plant Directive & Specified Generators)
- EPR Waste
- EPR Water Quality (including Water Industry Act)

- EPR Non-Nuclear
- Reservoir Safety

Permitting (application) charges not listed above will remain the same for 2027/28.

Annual Subsistence (compliance activity) charges

We are proposing a +3.5% increase in the following subsistence charging areas in line with inflation and other cost pressures:

- EPR Waste
- Reservoir Safety
- Flood Risk Activity Permits (FRAPs)

We are proposing 5% decrease in the following areas:

- Hazardous Waste.

Annual Subsistence (funding compliance activity) charges where there is a deficit

We have started a full review of Water Quality and Water Resources subsistence charges. As part of this review, we will look at the efficiency of our services, how they could be delivered in the future and the level of service we provide. We aim to consult on any proposed changes from October 2027.

Reviews of Industry Regulation and Waste subsistence charges will follow.

Alongside these reviews, we will look at our approach to enforcement and whether we should introduce charges for some enforcement activities where changes to legislation allow us to do so, for example under the Water (Special Measures) Act.

We continue to improve the efficiency of our regulatory services while ensuring we deliver NRW's agreed outcomes and legal duties.

However, some regulatory regimes are not currently recovering the full cost of the services we provide. Rising costs, including inflation, are increasing these funding shortfalls.

For 2027/28, we propose to limit increases in these areas to 8.5%. This balances the need to move towards full cost recovery with our aim of avoiding significant changes in charges from year to year. As a result, some schemes will take several years to achieve full cost recovery.

For Water Resources, the proposed increase also reflects the significant ongoing costs associated with Dŵr Cymru Welsh Water's Dam Safety Programme, including the annual cost to NRW of Section 20 reservoir operating agreements.

We expect these funding pressures to continue until our detailed reviews of subsistence charges are complete.

For 2027/28, we are proposing the following changes to our charges to help us maintain our current service levels:

- Water Resources Standard Unit Charges - We propose to increase the Standard Unit Charge by +8.5%.
- Control of Major Accident Hazards (COMAH) – We propose an increase of +8.5%.
- EPR – Non-Nuclear – We propose an increase of +8.5%.
- EPR – Materials Recycling Facilities - We propose an increase of +8.5%.
- EPR – Waste Carriers, Brokers & Dealers - We propose an increase of +8.5%.

Marine Licensing Non-statutory advice rate

Marine Licensing fees and charges were set in 2017. Since then, we have charged £120/hour for bespoke advice provided by the Marine Licensing Team. This rate was established to cover the cost of the work provided at that time for the fees as set out in legislation. This has been the rate for both statutory and non-statutory advice provided to customers since then.

Our Marine Advisory teams charge £125/hour plus VAT for their discretionary advice. Over time, the non-statutory advice provided by the Marine Licensing Team has become more complex and is now considered to be a competitive service. It is therefore subject to VAT as a discretionary service.

As of 1 April 2027, we propose to charge £125/hour plus VAT for non-statutory advice in line with our other services. We will continue to provide up to two hours pre-application advice free of charge. Charges for statutory advice will remain as set out in current legislation.

UK Emissions Trading Scheme (UK-ETS) - Technical changes

The UK Emissions Trading Scheme (UK-ETS) is a significant part of the UK and Welsh Governments' decarbonisation strategy. Changes to the scheme have increased the work NRW needs to carry out. We are proposing changes to our charges to reflect the cost of this work.

Aviation Sector

We propose to introduce our standard hourly rate of £125/hour for UK-ETS regulatory work in the Aviation sector from 1 April 2027. This will replace the current fixed fees which do not cover the full cost of providing the service.

Although NRW does not currently regulate any aviation operators that would be affected by this charge, introducing the hourly rate will make sure we can recover our costs if new operators enter the scheme.

Waste Sector

The expansion of the UK-ETS to include waste incineration and energy from waste plants launched in January 2026.

This work is currently being funded by Welsh Government, and we do not propose introducing a charge at this stage.

Maritime Sector

The UK ETS was expanded to include domestic maritime activities from 1 July 2026. We propose to introduce our standard hourly rate of £125 per hour for NRW's UK ETS regulatory work in the maritime sector.

NRW does not currently regulate any maritime operators that would be affected by this charge. However, introducing the hourly rate will make sure we can recover our costs if operators come within our regulatory remit.

Responding to this consultation

We want to hear your views on our proposed regulatory charges, which would take effect from 1 April 2027. Your feedback will help us finalise our charging schemes before we submit them to Welsh Government for approval.

The consultation closes at 11:59pm on Monday 11 January 2027. You can have your say by visiting our consultation page:

<https://ymgyngghori.cyfoethnaturiol.cymru/sroc/nrw-charge-consultation-2027-28>

What happens to your response

NRW staff working on this consultation will review the responses we receive. We may also share responses within NRW to help us plan future consultations.

We will analyse the responses and publish a summary of what we have heard. If you respond by email or post, we may publish your response in full.

When we publish consultation responses, we may include your name and part of your address. If you do not want these details to be published, please tell us when you submit your response and we will remove them from the published information.

NRW is subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. This means that information we hold may be requested by members of the public. Any request for personal information will be considered in line with the relevant legislation and data protection requirements.

Next steps

After the consultation closes, we will review the feedback we receive and publish a summary of the responses, along with our response, on our website.

If you provide an email address when responding to the consultation, we will confirm that we have received your response and let you know when the consultation summary is available.

We will consider the feedback before finalising our proposals and seeking approval from Welsh Ministers. Subject to this approval, we aim to introduce the updated charging schemes from 1 April 2027.