

Frequently asked questions

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Generic questions

1. Why are you making these changes?

We are making these changes because our current charges do not reflect the cost of delivering our service to you. We need to implement these changes to recover our costs.

As a Welsh Government body, NRW must comply with requirements set out in '[Managing Welsh Public Money](#)'. This requires that we fully recover the costs of the regulatory services we provide from those who use them, rather than having those services funded through general taxation.

This is the first wide-ranging review of Natural Resources Wales (NRW) fees and charges since we were established in 2013. Most of NRW's fees and charges have been fixed since then, with costs kept below inflation.

NRW are facing significant pressures on our resources. If we do not change the way we charge for our services, we will continue to see a reduction in our technical skill base, a continued reliance on public funding, and an inability to ensure that our natural resources are sustainably maintained, enhanced, and used, now and in the future.

As a result, our proposals assign the cost of determining a permit, registration, licence, or consent to the applicant benefiting from the permission and reduce reliance on taxpayer funding.

2. Why are you consulting?

We want to understand how our proposals would affect those who apply to NRW for permission to undertake an activity. We welcome comments from all interested parties (including permit holders, trade associations, local authorities, non-governmental organisations, and members of the public).

This is your opportunity to tell us how the proposals in this consultation would affect you, and to give us any supporting information that you think is relevant. Further information on the principles and impacts of these proposals are contained within the consultation documents.

We will consider all responses that we receive before this consultation closes on 7 January 2023. The comments we receive will inform our final submission on these proposals to Welsh Government in Spring 2023.

3. Why are you bringing in these changes at a time when the cost of living and operational costs for businesses are such big issues?

This is about ensuring a fairer system that will see businesses pay for the costs of the services they use, rather than taxpayers.

We recognise the financial impact our charging proposals will have on some business sectors, especially as our proposals coincide with wider financial pressures such as inflationary increases.

NRW are facing significant pressures on our resources. If we do not change the way we charge for our services, we will continue to see a reduction in our technical skill base, a continued reliance on public funding and an inability to ensure that our natural resources are sustainably maintained, enhanced, and used, now and in the future.

4. What are the benefits of bringing in these changes?

- It will provide more clarity on what we charge for and why.
- It will provide a more level playing field for legitimate businesses.
- The business or person applying for a permission will cover the cost without it being subsidised by the taxpayer.
- It will support the delivery of our Sustainable Management of Natural Resources, and Well-being goals.
- It will provide an opportunity for us to deliver a better regulatory service, protect the environment and prevent pollution happening in the first place.

5. Will NRW make any profit from these increased charges?

No, the proposed charges will only help recover the costs of the services we provide.

NRW must work in line with the principles of Welsh Governments' ['Managing Welsh Public Money'](#). This directs that we should not incur either a profit or a loss from our regulatory activities. We are only permitted to recover our costs.

6. What is in scope for review?

We propose to change application charges for:

- Environmental Permitting Regulation (EPR) permits:
 - Waste management
 - Industrial processes
 - Discharges of treated water effluent to the water environment
 - Radioactive substances
 - Medium Combustion Plant
- Water abstraction and impoundment licences
- Species licensing
- Reservoir registrations.

We propose introducing charges for some of the Species Licence applications that we receive.

There are several additional regimes that we do not propose to make changes to at this time, including Flood Risk Management, Marine, Forestry and Land Use Management.

We have also included our annual subsistence review in this consultation.

7. Why does the cost of a permit differ between regimes?

Different regimes will have different applicable legislation and permitting rules that are used for determining an application. As a result, the process of determining an application will vary for each type of permit, depending on the information needed and the factors that need to be assessed. We may also need to request more information from the applicant, or from subject experts within NRW.

Our proposed charges will only recover NRW's costs and will reflect the differing cost structures between regimes.

8. What does the permitting process involve?

When we receive a permit application, it is logged, and a series of checks are undertaken to make sure that it is complete and contains all the information we need.

If the application passes this test successfully, it will move into the determination phase where it is assessed against legislation and permitting rules.

Different regimes will have different legislation and permitting rules for determining an application. As a result, the process of determining an application will be different for each type of permit, depending on the information needed and the factors that need to be assessed. We may also need to request more information from the applicant, or from subject experts within NRW.

Depending on the type of application, we may be required to consult with the public and other stakeholders, like health boards and local authorities. Where this is the case, the responses received are reviewed and considered.

Once we have received all the information we need, we make the decision to issue or to reject the application. Permits issued contain conditions the permit holder must comply with to prevent pollution and harm to health. The applicant is informed, and where the application is successful, a permit is issued.

We maintain a Public Register to view permits and a holder's compliance with the permit requirements.

Our proposed charges will only recover NRW's costs and will reflect these differing costs between regimes.

9. Have you looked at the application process to make it more efficient and to reduce costs?

We have reviewed our permitting process and, while we always strive to improve our performance, we are satisfied that the charges proposed reflect the work needed.

The process improvements and efficiency savings we identified have reduced the scale of proposed increases.

We have identified changes we need to make to guidance for customers on our website and improvements are planned. Any further efficiencies will be built into future charge reviews.

10. Who will need to approve these proposed charges?

When this consultation period ends on 7 January 2023, we will consider the comments we receive and will finalise our charge proposals.

The finalised charge proposals will be submitted to our NRW Board for approval. Subject to their decision, we would then seek approval for implementation from the Welsh Government Minister for Climate Change.

11. When will the changes be implemented?

Subject to consultation responses and approval from NRW's Board and Welsh Government, we aim to implement the new charges in April 2023.

Our formal consultation on these charges launches on 10 October 2022. It will remain live for 12 weeks and will end on 7 January 2023.

12. How can I have my say?

We have developed an online questionnaire to capture responses to our proposals. We want to know how the proposals in this consultation would affect you and would encourage you to give us any supporting information that you think is relevant.

The package of documents that accompanies this consultation is extensive, covering several regulatory areas. It is split into sections that allow you to look at some, or all the information depending on what is relevant to you. Similarly, you can respond to all the questions in the consultation or only those you feel are directly relevant.

We will consider all responses that we receive before this consultation closes on 7 January 2023. The comments we receive will inform our final submission on these proposals to Welsh Government.

13. How will you communicate the outcome of the consultation?

Following the consultation, we will make all comments (excluding personal information) and our responses publicly available on our website.

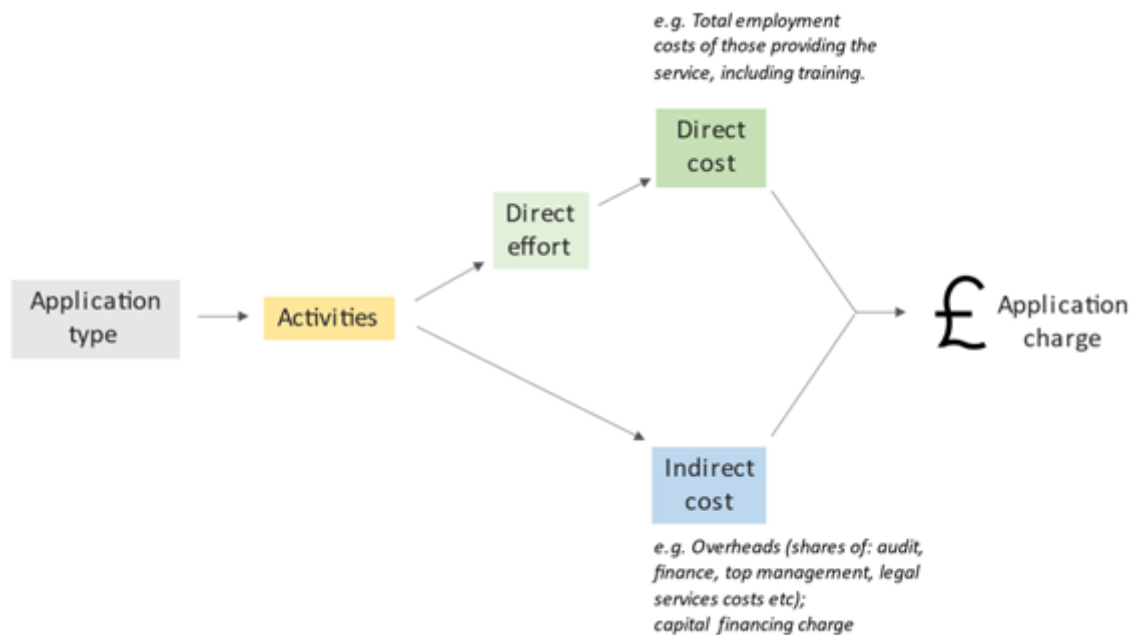
14. Are you able to demonstrate how the charges were derived?

Yes, NRW used the principles of full cost recovery, in line with '[Managing Welsh Public Money](#)' to arrive at the proposed charges.

We have calculated each application charge by identifying the direct activities involved in determining each type of permit/licence, how long they take and at what cost.

We then applied a fair and proportionate allocation of the cost of indirect activities, based on the level of direct activity.

Developing an application charge:



Further information and the complete list of costs that can be recovered through our charges, can be viewed here: [‘Managing Welsh Public Money’](#).

15. What do you mean by ‘duly made’?

Duly making is the process we carry out to check if a permit application is ready for us to start determination. A permit application must be duly made before we can begin determination. For example, whether the correct forms have been completed, whether the correct fee has been sent and whether we have received sufficient information. Once we have determined that we have received everything needed to continue, your application is said to be ‘duly made’. We may still request further information from you as your application progresses.

Habitat Regulations Assessments

16. How will I know if my application needs a Habitat Regulations Assessment (HRA)?

A HRA needs to be carried out if the proposed works are either within or close enough to affect certain sites that are designated for their species or habitat value, for example Special Areas of Conservation (SACs), Special Protection Areas (SPAs) or Ramsar sites. The purpose of the HRA is to determine whether any of the habitats or species for which the site is designated could be impacted by the proposed works.

Post validation of an application for an abstraction or impoundment licence, we would undertake detailed screening and this would identify the possibility of the need for a HRA.

The confirmation of the requirement for a HRA and what to include within the assessment would therefore only happen during the determination period.

Where an HRA is required, if you are a 'competent authority' under regulation 7 of the Conservation of Habitats and Species Regulations 2017, your application for an abstraction or impoundment licence should include a completed HRA carried out in accordance with Regulation 63. If you are not a competent authority, it is NRW's role to undertake the HRA if one is required.

Protected areas in Wales can be found here:

[Natural Resources Wales / Find protected areas of land and sea](#)

Waste and Industry Regulation

17. Why are you no longer using the Operational Risk Appraisal tool (OPRA)? It is familiar to us, and it has worked well for a long time.

Charges calculated from OPRA no longer reflect the cost/effort to NRW of determining a permit application.

We have proposed a range of fixed base charges which cover the cost of work that we must do on all waste and installation permit applications we receive.

An applicant will then pay a fixed cost for each additional plan that we may need to assess, depending on the type of activity being applied for and the location.

Where the time spent by NRW on determining a permit exceeds the average time to determine by more than half (in other words, 150% of costed average time), we will apply time and materials charges to recover our costs.

Time and materials charges will be invoiced in arrears. We do not anticipate that this will happen often and will discuss with the applicant before any charge is considered.

We believe this is fairer than increasing charges for simpler permit applications to cover the cost of the few very complex permits that take significantly longer to determine.

18. How will I know how much my application will cost, given the new charge components you are proposing (base charge and additional modular charges)?

There will be tools and guidance available on our website to enable you to calculate the application charge.

19. What are the four industry regulation/waste bands and how do I know which one applies to my application?

The four bands only apply to Installations which currently use OPRA – waste has a single charge rate for the applications that would currently use OPRA.

We are developing a tool that applicants will complete alongside their application form to determine which band they will be charged. The deciding factors include how many different listed activities are within the installation, the production capacity, whether they treat hazardous waste, whether the site is a landfill or waste incinerator, and whether there is Best Available Techniques guidance available for the process.

As the tool is still under development this list may change, but the aim is to include factors that make the application more complex to determine.

20. Will the increase in charges be a barrier to entry for new waste companies?

New waste businesses should not be deterred from operating in the Waste industry. There are waste exemptions for certain activities that are free to register and will allow some waste businesses to operate without the need for a permit.

Standard Rules Permits are also available to regulate specified lower risk activities that require permitting.

21. When will ‘time and materials’ charges be applied?

There are two situations where we are proposing to introduce charges based on ‘time and materials’ when determining landfill applications, and when the cost exceeds the permit charge as detailed below.

Additional assessments for determining landfill specific aspects of a permit application will be charged as ‘time and materials’ over and above the base charge, and any additional modular plans required.

Where the time spent by NRW on determining a permit exceeds the average time to determine by more than half (in other words, 150% of costed average time), we will apply time and materials charges to recover our costs.

Time and materials charges will be invoiced in arrears. We do not anticipate that this will happen often and will discuss with the applicant before any charge is considered.

We believe this is fairer than increasing charges for simpler permit applications to cover the cost of the few very complex permits that take significantly longer to determine.

Water Quality

22. How do I know which type of variation is relevant to me?

According to the EPR Guidance 2016, ‘Regulators must allow for different charges for different categories of variation application. This is to allow an approach that can reflect the amount of effort that the regulator puts into determining the application, the potential environmental impact or risk; and the extent of public participation.’

a) Administration

Change or correct:

- name or address but where the legal entity has not changed

- National Grid Reference to improve accuracy
- typographical errors
- the start date of a permit
- an outlet location – a new technical assessment is not required.

b) Minor

Changes needs some technical input from NRW but much less than for a normal variation:

- an outlet location
- the volume of discharge.

c) Normal

Changes require technical input from NRW:

- outlet location requiring a review of any existing substance or habitat assessment
- reduce pass forward flow for intermittent storm sewage discharges
- the volume or the quality (or content) of a discharge.

d) Substantial

A significant assessment is required:

- change the volume or change the quality of a discharge and a new assessment of emissions limits for specific substances is needed.
 - Specific substances are:
 - hazardous pollutants for water discharge activities
 - hazardous substances or non-hazardous pollutants for groundwater activities
- new substance or habitat assessment.

e) Regulator Initiated

Charge is equivalent to the charge that would have been payable if the variation had been made in response to an application.

23. Will there be a discount for multiple variations?

We are working towards full cost recovery for the water quality permitting service and therefore are not able to provide any discounts, unless there are exceptional circumstances to consider on a case by case basis.

Species Licencing

24. Why are you introducing charges for species licencing when NRW has never charged for these before?

Species licencing is being treated consistently with all regimes within our review, therefore the principle of full cost recovery applies.

As a Welsh Government body, NRW must comply with requirements set out in '[Managing Welsh Public Money](#).' This requires that we fully recover the costs of the regulatory services we provide from those who benefit from them, rather than having those services funded through general taxation.

We're not proposing charges to all areas of species licensing; we are proposing waivers to those areas where to raise a charge would be environmentally counter-productive.

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