

Appendix 8:

Water resources charging scheme

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Key messages

The charges for application-based licences for Water Resources have not increased in a number of areas for over 20 years. Consequently, existing charges have been amended and new charges proposed to reflect our current costs.

We propose introducing new application charges for:

- Section 32 groundwater investigation consents
- Apportionments of a licence
- Habitat Regulations Assessments (HRA).

We propose introducing a new category of simple variation which is an intermediate cost between an administrative and a full variation for some types of licence.

We will continue to waive some of our application charges, such as administrative variation costs for revoking licences and for simple changes such as updating contact details. These costs are funded by our annual water resources subsistence charges.

We propose to keep the advertising administration charge at its current level, but customers will pay for the whole advert in English and Welsh.

Our charge proposals

Framework for water resources

We carry out our water resources duties under the [Water Resources Act 1991 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1991/29). This act in conjunction with section 6 (2A) of the [Environment Act 1995 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1995/24) allows us to recover our costs for water resources regulation and management.

An abstraction licence is needed before abstraction of more than 20 cubic metres of water a day per source of supply can take place (unless exempt from licensing). An impoundment licence is needed where flow is impeded or obstructed (impounded) by the construction, alteration, repair, or removal of an impoundment (unless exempt).

You will need to pay an application charge when you apply for a new licence or to vary an existing licence. The charge covers the work we carry out in determining the licence application. An application charge will apply to the following:

- full abstraction licence – for most types of water abstraction over 20 cubic metres a day
- transfer abstraction licence – to move over 20 cubic metres of water a day from one source (or within same source for some activities) to another without intervening use

- temporary abstraction licence – to abstract more than 20 cubic metres of water a day over a period of less than 28 consecutive days
- impounding licence – to construct, alter, repair, or remove an impoundment structure such as a sluice, weir, or dam
- any abstraction and or impoundment licence for the production of electricity, or any other form of power by a generating system or apparatus
- renewal of a time limited abstraction licence
- renewal of a time limited variation to an existing abstraction licence.

Pre application advice

NRW provides a basic pre-application advice service to assist with the application process and help customers understand what they need to do to comply with the law. This advice is provided free of charge. We offer basic advice on:

- confirmation of type of licence or permission required
- the correct application forms to use
- what guidance must be followed
- guidance to help work out the application charge.

Any subsequent advice is provided through our Discretionary Advice Service charged at a rate of £125 plus VAT per hour and is provided at NRW's discretion.

For Water resources licence applications, we also offer free advice on:

- water availability
- hands off flow or level requirements
- fish or eel screen sizes required
- confirmation of fish or eel passage requirements (including specifying type but not including review of designs).

Advertising administration charge

When we need to advertise an application, the applicant currently pays the administration charge plus half the cost of the bilingual advertisement, with NRW covering the cost of the advert in Welsh.

We propose to keep the advertising administration charge at £100.

We propose that customers pay for the whole advert in English and Welsh.

Application charge

We are amending our application charges to enable us to cost recover for the service that we provide. This includes the removal of some of our existing waivers and the introduction of new charges to reflect our current costs.

The application charges will be made up of:

- A basic charge which includes the work NRW needs to undertake for some applications to satisfy the Water Framework Directive (WFD) Regulations, or in relation to some designated conservation areas, such as an Area of Outstanding Natural Beauty (AONB) or a Site of Special Scientific Interest (SSSI).
- An additional charge factor for those applications that require us to carry out extra work for HRA Assessments, in other words abstraction or impoundment locations which may have the potential to impact on sites designated under the Habitats Directive.

We propose introducing a new add-on charge of £917 for HRA where applicable.

Applications for a new bespoke licence

We propose the same charge for the following applications, as they take a similar amount of time and effort to determine:

- new full surface water abstraction, including hydroelectric power schemes (HEP)
- new full groundwater abstraction
- new impoundment including HEP
- temporary licence
- new transfer licence.

We propose a charge of £6,327 for applications for a new bespoke licence

Applications for groundwater investigation consents (WRA S32 Consents)

We propose introducing a charge for applications for groundwater investigation consents by way of Article 12A of [The Natural Resources Body for Wales \(Functions\) Order 2013](#).

We propose introducing a new charge of £1,903 for applications for groundwater investigation consents.

Applications to vary a licence

Administrative variation

We do not currently charge for administrative variations. We propose that we continue to waive the following charges:

Admin 1 variation

- Change of contact details
- Revocation of an abstraction licence
- Revocation of an impoundment licence.

Admin 2 variation

- Transfer of a licence to a new licence holder.

Further detail is provided in the section on waivers.

Simple variations

We propose introducing a new category of charge for a 'simple' variation. This is defined as an activity which requires an effort level between an administrative variation and a full variation. These are applications which may require some specialist input.

This simple variation category will include applications for same-terms renewals and the introduction of a new charge for applications for apportionments of a licence.

We propose a charge of £1,357 for applications for a simple variation.

We propose introducing a new charge of £1,357 for applications for apportionments to split the licensed quantities abstracted between two or more persons.

Full variations

A full variation of an abstraction or impoundment licence requires a greater level of technical input.

We propose a charge of £4,810 for applications for a full variation.

Renewals

We carry out review work and issue an advisory letter prior to a licence renewal becoming due. This includes a basic internal consultation to consider whether a time limited licence or a licence with time limited conditions can be reissued on the same terms or if different licence conditions will be required.

We propose charging same terms renewals as a simple variation, a charge of £1,357. We propose charging different terms renewals as either a simple or a full variation, a charge of £1,357 or £4,810 respectively, depending on complexity.

Removal of impoundments

If the impoundment has been constructed and a licence is in place, you must apply to vary the licence to remove the impoundment.

If the impoundment has been constructed, but there is no existing licence in place, you must apply for a licence to remove the impoundment.

In both cases, once the impoundment has been removed, you must apply to revoke the licence.

We propose a charge of £4,810 to either vary or apply for a licence to remove an impoundment. The subsequent revocation of that licence will remain free.

Proposals for waivers

Change of contact details (Administrative variation):

We propose that we continue to waive charges so that licence holders keep us informed when they change their contact details.

Transfer of a licence holder (Administrative variation):

We propose that we continue to waive this charge as these applications are similar in nature to a change in contact details. Many of these applications are received from individual licence holders, sometimes following the death of a licence holder.

Variation of a licence to reduce the quantity of water authorised to be abstracted:

Licence holders can apply for a variation to reduce the quantity of water that they are licensed to abstract, be requested to do so on a voluntary basis by NRW or be required to do so by NRW. We propose that we continue to waive these charges as they benefit the water environment.

Applications to revoke an abstraction licence or an impoundment licence (Administrative variation):

We propose to continue to waive the application charge to revoke an abstraction licence or an impoundment licence.

Multiactivity discounts

We propose discounts where an application is being made for more than one activity by one applicant, when the proposed activities are reasonably considered to be part of the same operation. The discount reflects the time saved during the determination period.

We propose that we charge the full application charge for the highest charge, and:

- **90% discount for each additional activity that is part of the same operation and from the same source of supply**
- **50% discount for each additional activity that is part of the same operation and from a different source of supply.**

Applications with insufficient detail to progress

When we need to return an application that has insufficient detail to be able to progress, we propose to retain a proportion of the application charge to cover the work that we do at the 'duly making' stage. Applications are only returned after the applicant has been given an opportunity to supply the missing information.

We propose a charge based on 10% of the cost for each application type.

Withdrawn applications

If an application is withdrawn by the applicant before progressing from the duly made stage, **we propose to retain 10% of the application charge.**

If an application is withdrawn by the applicant after reaching the duly made stage, **we propose to retain 100% of the application charge.**

Excluded from current charge proposals

- **Low risk impoundments**

We will continue not to pursue a licence application for low-risk impoundments where these activities have no or little impact on the environment and other water users.

Tables of charges for water resources licence applications

We propose introducing the following charges, based on recovery of our costs to process water resources applications:

Proposals for applications for a new bespoke licence					
Full abstraction licence	Impoundment licence	HEP abstraction or impoundment licence	Transfer licence	Temporary licence	Groundwater investigation consent
£6,327	£6,327	£6,327	£6,327	£6,327	£1,903

Proposals for applications to vary or revoke a licence				
Change of contact details	Transfer of licence holder	Applications to reduce the quantity of water authorised to be abstracted	Revocation of an abstraction licence	Revocation of an impoundment licence (see below for removal of impoundments)
No direct charge	No direct charge	No direct charge	No direct charge	No direct charge

Proposals for applications to vary a licence			
Variation of an abstraction licence	Variation of an impoundment licence	Variation of a HEP abstraction or impoundment licence	Variation of a transfer licence
Simple £1,357 or Full £4,810	Simple £1,357 or Full £4,810	Simple £1,357 or Full £4,810	Simple £1,357 or Full £4,810

Proposals for applications to vary a licence		
Apportionments	Same terms renewals	Different Terms Renewals
£1,357	£1,357	Simple £1,357 or Full £4,810

Proposals for applications to remove an impoundment and revoke an impoundment licence				
Licence is in place, but no structure built	Licence is in place and structure is built		No Licence in place and structure is built	
Revocation of that licence	Step 1 - Application to vary the licence	Step 2 - Revocation of that licence	Step 1 - Application to apply for the licence	Step 2 - Revocation of that licence
No direct charge	£4,810	No direct charge	£4,810	No direct charge

Proposals for applications which require a Habitat Regulations Assessments (HRA)

HRA add-on charge

£917

Consultation questions – See Appendix 9