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Environment
Agency
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Northern Ireland Environment Agency Regulatory Charging Policy 2021-2023

Sustainability at the heart of a living, working, active landscape valued by everyone.

 An Agency within the Department of
**Agriculture, Environment
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FOREWORD

I am pleased to present the Northern Ireland Environment Agency's (NIEA) Regulatory Charging Policy 2021 - 2023. This sets out how we will manage our fees and charges over the next two years.

This policy will ensure that NIEA fully recovers the cost of regulating activities associated with its environmental legislation. It provides the facility to apply annual inflationary rises, as well as the opportunity to address over and under recovery that may arise in particular charging regimes.

During these two years, NIEA will also undertake a full strategic review of this policy and the associated charging schemes. This review will develop a financially sustainable and streamlined regulatory charging policy and scheme. Businesses and individuals will be clear on what they will need to pay and these charges will be sufficient to support NIEA staff in undertaking their regulatory duties. It is proposed that this regulatory charging policy and scheme will come into operation at the same time as the planned Environmental Permitting Regime.

Dr Theresa Kearney

Acting Head of Regulation Unit

BACKGROUND

It is widely recognised that our environment is fundamental to a successful economy. That is why it is important that corporate compliance with environmental standards should be the aim of every business in Northern Ireland. NIEA is committed to delivering an effective and supportive regulatory system to protect the environment and promote sustainable growth, which is fair and proportionate to those we regulate, including the level of charges we apply.

Income from regulatory fees and charges, to cover the costs associated with the regulation of environmental activities is a key revenue stream for NIEA. The Agency was forecast to generate £8,445,991 from all existing Resource Efficiency Division (RED) income sources including the regulatory charging streams in 2019/20, based on the income received in 2018/19 which directly contributes to the Agency's budget. This income is generated from charging schemes which are regulate by the Agency and can be found in Appendix A.

NIEA's fees and charges are set in accordance with statutory requirements, Department of Finance (DoF) and Treasury guidance and the Agency's NIEA Regulatory Charging Policy, One of the key aspects of DoF and Treasury guidance is the maintenance of full cost recovery whereby the income generated from the charging schemes covers the cost of the resources involved in the delivery of the regulatory activities.

The previous Regulatory Charging Policy 2016 – 2021, expired on 31st March 2021 and this new charging policy is being introduced setting out charging arrangements for the next two years.

On the 18th January 2021 NIEA launched a public consultation on the proposal to extend the current policy for two years and to apply same GDP deflator (1.84%) that was applied in the prior year in order to arrive at the 2020/21 charges. This consultation closed on 15th March 2021. This new Regulatory Charging Policy covers those fees and charges associated with waste, water and pollution control regulations (as noted in Appendix A).

SCOPE

This policy covers NIEA regulatory charges listed at Appendix A. All other charges, including charges across the wider Environment, Marine and Fisheries Group (EMFG) and those charges which are derived from wider UK legislation are outside the scope of this policy.

NIEA ENVIRONMENTAL REGULATION CHARGES

NIEA discharges its regulatory functions through the application of fees and charges on companies and operators subject to a range of environmental regulations. The Agency's regulatory fees and charges are designed to recover costs from regulated operators, based on the polluter pays principle and in accordance with government and treasury guidance.

The Agency generally applies two types of charges, designed to recover the cost of associated regulatory activities and the services needed to support them. These include:

- **Application fees:** includes the receipt and processing of applications for permits/authorisations, modifications/transfers and surrenders. This covers consultation with applicants/stakeholders, as applicable, and the assessment of potential impacts on people and the environment;
- **Subsistence fees or annual charges:** covers inspections, sampling and analysis, compliance monitoring, review, the issue of warning letters and notices.

Associated costs for these activities include regulatory staff salaries, accommodation, office services, IT, process management, finance and personnel.

NIEA REGULATORY CHARGING POLICY 2021 - 2023

Adjustment for inflation - GDP Deflator

NIEA shall apply the same GDP deflator (1.84%) that was applied in the prior year in order to arrive at the 2020/21 charges. This will apply to those charging schemes as listed in Appendix A.

This figure will apply for the first year of this policy (2021/22) with the option for NIEA to review in the final year (2022/23) should it be considered appropriate. The Department reserves the right to apply any other mechanism as deemed appropriate to ensure the maintenance of full cost recovery thus preventing any potential Departmental losses.

NEXT STEPS

Over the 2 year period of this NIEA Regulatory Charging Policy, NIEA will undertake a detailed strategic review of the charging schemes. This will include NIEA undertaking further public consultations associated with regulatory fees and charges.

Under the NIEA Regulatory Transformation Programme, it is proposed that any revisions to the NIEA Regulatory Charging Policy will build in flexibility to accommodate the requirements of the planned Environmental Permitting Regime. This revised policy and associated scheme will need to come into operation at the same time as the Environmental Permitting Regime. This will ensure costs for regulatory activities are met by regulated business and align with the principles of:

- full cost recovery;
- the 'polluter pays';
- maximising public value from public recourse.

APPENDIX A - NIEA REGULATORY FEES AND CHARGES

1. Pollution Prevention and Control (Industrial Emissions) Charging Scheme (Northern Ireland)
2. The Pollution Prevention and Control (District Councils) Charging Scheme (Northern Ireland) *
3. Radioactive Substances (Fees & Charges) Scheme (Northern Ireland)
4. The Greenhouse Gas Emissions Charging Scheme (Northern Ireland)
5. Fees and Charges in respect of Costs associated with the regulation of Discharges made by NIW – Scheme No 1
6. Discharge of Effluent into Waterways and Underground Strata (Fees & Charges) Scheme (Northern Ireland)
7. Water Abstraction and Impoundment Licensing Fees & Charges Scheme
8. Waste Management Charging (Northern Ireland) Scheme
9. Polychlorinated Biphenyls (PCBs) Regulations Charging Scheme **

* This charging scheme has now been clearly denoted in the policy in response to public consultation comments.

**This charging scheme has been added in response to public consultation comments.



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