

CHARGING FOR DISCHARGING

Consultation Document



NRA

National Rivers Authority

INTRODUCTION

One of the National Rivers Authority's most important functions is to determine, issue and monitor compliance with discharge consents. The work was previously funded by the Environmental Services Charge levied on all ratepayers by the former water authorities. These charges were abolished when the domestic rating system was discontinued. From the formation of the National Rivers Authority (the NRA) to 30 June 1991 the work was funded by the general tax payer. On 1 July 1991 the NRA introduced a scheme of charges in respect of applications and consents for discharges to controlled waters (the Scheme). The Scheme is in effect until 31 March 1994.

This consultation document sets out the NRA's proposals for a successor Scheme which will come into effect from 1 April 1994. An informal consultation exercise has already been carried out with representatives of groups of dischargers which has been extremely useful and many of the comments and suggestions have been incorporated in these proposals.

Before submitting the Scheme for approval to the Secretary of State, the NRA must publish a notice setting out the proposals and give an opportunity for representations and objections to be sent to the Secretary of State. The notice has been published in national newspapers.

ISSUES

I) INCENTIVE CHARGING

Could the revised scheme give dischargers an incentive to reduce their charges if they were able to reduce their effluent or make it less contaminated?

Present legislation requires the NRA to operate a charging scheme which recovers the costs incurred in dealing with discharges to controlled waters. Until the legislation is changed, more powerful incentives, such as in other EEC countries, cannot be introduced.

Dischargers already have an incentive to reduce their charges by reviewing:

- (a) whether the consent is needed at all;
- (b) whether the volume required on the consent can be reduced so as to bring the discharge into a lower charging band;
- (c) whether the content band can be changed by non-discharge of certain effluents which would result in the charges being reduced.

II) SELF MONITORING

Could there be scope for the charges to be reduced if the discharger has an effective self-monitoring regime?

The NRA is committed to reducing costs whilst maintaining effective monitoring. The Scheme as now proposed contains a clause that can be used if a self-monitoring programme can be agreed with the NRA which would enable the NRA to reduce its level of operating costs.

III) SCOTTISH SCHEME

Should the NRA Scheme operate more like the Scottish Scheme whereby charges are based directly upon the number of samples taken and the cost of the analysis carried out?

A system based on identifying, agreeing and recovering the actual costs incurred in dealing with each individual discharge would, in the NRA's view lead to an increase in overall costs which would have to be passed on to the discharger. The NRA's present system, where the weighting factors take account of the frequency and cost of sampling and monitoring, results in equitable charges at a lower average level which are a reasonable proxy for actual cost.

IV) SEASONAL DISCHARGERS

Should there be reduced charges where the discharge is only seasonal?

Certain consents allow discharges to be made only at specific periods during the year. Dischargers holding such consents have suggested that abatement of the charges should be made. The NRA has reviewed this but has reached the conclusion that the cost of administering and monitoring such discharges is not significantly lower than the cost involved in monitoring other continuous or intermittent discharges of similar overall volume.

V) WEIGHTING FACTORS

Do the weighting factors reflect the cost of the work done?

The NRA has reviewed the weighting factors which are based on the frequency and cost of sampling and monitoring the various discharges. As a result of this review, certain factors have been reduced which will result in reduced bills for certain dischargers.

VI) SMALL SEWAGE DISCHARGES

Should charges be made for discharges of sewage effluent of 5m³/d which are currently excluded from the Scheme?

The majority of sewage effluent of 5m³/d or less do not require consent. The cost of monitoring does not justify the inclusion of these small discharges within the charging scheme. Therefore it is proposed that these discharges will continue to be outside the Scheme.

VII) MINOR ISSUES

Various minor issues have been raised with the Authority's billing department during the last three years.

Certain parts of the Scheme were considered to be unclear or uncertain and the opportunity has been taken in the proposals to clarify these where appropriate. In particular

- (a) the definitions of the various substances in Content Bands A and B have been clarified;
- (b) sewage and trade effluents are now treated consistently throughout the scheme;
- (c) surface water/site drainage issues, where there have been problems of interpretation because of inconsistent consenting practice in the past;

have now been clearly defined.

FURTHER INFORMATION AND REPRESENTATIONS

Further information is obtainable from any NRA Regional Office, at the address on the back cover. Please address representations and/or objections to the proposed Scheme to the:

Secretary of State for the Environment
Department of the Environment
Room A401
Romney House
43 Marsham Street
London SW1P 3PY

NATIONAL RIVERS AUTHORITY

PROPOSED SCHEME OF CHARGES IN RESPECT OF APPLICATIONS AND CONSENTS FOR DISCHARGES TO CONTROLLED WATERS

INTRODUCTORY

1 COMMENCEMENT AND CITATION

- (1) This Scheme of Charges (the Scheme) is made by the National Rivers Authority pursuant to its powers in section 131 of the Water Resources Act 1991.
- (2) The Scheme has effect from 1 April 1994.
- (3) The Scheme may be referred to as the National Rivers Authority Applications and Discharges Charges Scheme.

2 INTERPRETATION

In the Scheme, except where the context otherwise requires,

“the Authority” means the National Rivers Authority;

“the 1991 Act” means the Water Resources Act 1991 and except in so far as expressly interpreted herein, the Scheme shall be construed by reference to that Act;

“discharge” means a discharge of an effluent;

“discharger” means any person who makes a discharge in pursuance of a consent during the year;

“consent” means a consent given or served by the Authority pursuant to Part III and of Schedule 10 to the Water Resources Act 1991;

“year” means a period of 12 months commencing on 1 April.

THE CHARGES

3 CHARGE RATES

The charge rates for the period from the commencement of the Scheme until 31 March 1995 (“the initial period”) shall be:

- (a) for the Standard Application Charge, £504
- (b) for the Reduced Application Charge, £72
- (c) for the Annual Charge Financial Factor, £389

and for subsequent periods the charge rates shall be amounts determined in relation to each year by the Authority, with the approval of the Secretary of State, by reference to the same principles as were applied in determining the individual rates for the initial period (including those applied by virtue of section 132 of the Water Resources Act 1991).

4 APPLICATION CHARGE

- (1) In respect of each application made to the Authority pursuant to and for the purposes of section 88 of the Water Resources Act 1991 there shall be payable by the person who makes the application and, where consent is given under paragraph 5 of Schedule 10 of the 1991 Act, by the person on whom the instrument giving consent has been served:
 - (i) the Standard Application Charge except as provided for in (ii) below;
 - (ii) the Reduced Application Charge where the effluent is any of the following:

- (a) sewage effluent where the proposed volume is 5 cubic metres or less per day;
 - (b) trade effluent from cooling or heat exchange where the proposed volume is 10 cubic metres or less per day;
- (2) Where an application relates to more than one effluent a charge is made for each such effluent.

5 ANNUAL CHARGE

- (1) Subject to paragraph (4) below, there shall be payable by each discharger in respect of each discharge a charge for a full year which is the product of the following four factors related to the consent pursuant to which the discharge is made.
- A The Volume Factor
 - B The Contents Factor
 - C The Receiving Water Factor
 - D The Financial Factor
- (2) (i) Subject to paragraph (ii) below where a consent authorises the discharge of more than one effluent a charge is made for each such effluent discharged whether or not they may be discharged together or from one or more outlets.
- (ii) Where effluents receive treatment together or having joined together are then monitored together by the Authority prior to discharge or where effluents are of the same nature and the monitoring of any one or more of them is the means by which the Authority monitors them all, subject to paragraph (iii) below, one charge only is made, determined according to the highest contents band into which any of the constituent effluents fall, and according to their aggregated volume.
- (iii) Where an effluent is discharged to more than one watercourse a charge is made for each discharge to a different watercourse.
- (3) Annual Charges will not be made for discharges of sewage effluent of 5 cubic metres or less per day.
- (4) Where a discharger is the occupier for a portion only of a year of premises from which a discharge may be made the amount payable is calculated by apportioning the charge for the year pro rata to the period of occupation.
- (5) Subject to paragraph (4) above, no reduction in charges is made where a consent restricts discharges to part or parts of the year or where a discharge is made in part or parts of the year under a consent which is in force for the whole of the year.
- (6) If a consent is varied during the year the factors will be re-assessed for the remainder of the year and where appropriate the annual charge adjusted.
- (7) If a consent is issued or revoked during the year the amount payable is calculated by apportioning the charge for the year pro rata to the period during which the consent is in force.
- (8) If, before the start of the charging year, a discharger undertakes to monitor discharges under a consent in such a manner as, in the Authority's view, will enable the Authority's monitoring costs to be reduced, the Authority will make such reduction to the charge for the year, as it considers appropriate. The Authority may at any time make a charge as provided under the Scheme without an abatement, if the discharger fails to monitor in accordance with an undertaking. Where a discharger first makes a discharge under a consent after the commencement of the charging year an undertaking may be given at any time prior to first making a discharge.

THE FACTORS

6 A VOLUME

- (1) The Volume Factor relates to the maximum daily volume of discharge permitted by the consent as follows:

Cubic Metres	Factor
Up to and including 5	0.3
More than 5 up to and including 20	0.5
" " 20 " " 100	1.0
" " 100 " " 1,000	2.0
" " 1,000 " " 10,000	3.0
" " 10,000 " " 50,000	5.0
" " 50,000 " " 150,000	9.0
" " 150,000	14.0

- (2) Subject to paragraph (3) and (4) below, where no maximum daily volume is fixed by a consent the volume factor is 1.0 except where the discharge is:

- i) made in an emergency,
- ii) surface water (not containing trade effluent),
- iii) permitted by the consent on not more than 4 days per year,
- iv) sewage from a plant serving less than 25 people.

when the factor is 0.3.

- (3) For sewage treatment works final effluents:

- i) the maximum daily volume is the flow to full treatment;
- ii) where no maximum daily volume is specified in the consent, but an average daily flow is given the daily maximum volume shall be taken to be 2.4 times the average daily flow;
- iii) If a dry weather flow only is specified the daily maximum volume shall be taken to be 3 times dry weather flow.

- (4) For trade effluents:

- i) the maximum daily volume is the flow to full treatment;
- ii) where no maximum daily volume is specified in the consent, but a daily dry weather flow is given this shall be taken to be the maximum daily volume except where the discharge may contain rainfall when
- iii) the maximum daily volume shall be taken to be 3 times the daily dry weather flow.

B CONTENTS

- (1) The Contents Factor relates to the provisions in the consent controlling or regulating the contents of the discharge as follows:

Band	Factor
A	14.0
B	5.0
C	3.0
D	2.0
E	1.0
F	0.5
G	0.3

- (2) BAND A

Trade or sewage effluents:

- (i) Where the consent conditions contain numeric conditions for any of the following substances:
- Pesticides
 - Fungicides
 - Herbicides
 - Organo - Metallic Compounds
 - Polyhalogenated Biphenyls
 - Polynuclear Aromatic Hydrocarbons
 - Aliphatic Hydrocarbons
 - Aromatic Hydrocarbons
 - Haloforms
 - Halogenated Hydrocarbons
 - Alcohols (with the exception of methanol and ethanol)

Glycols
Peracetic Acid
Non-ionic Detergents
Cationic Detergents
Aromatic Amino Compounds
Phenolic Compounds (with the exception of total and monohydric phenols)

- (ii) Where the consent conditions include viruses.
- (iii) Where the consent conditions specify the need for Toxicity Tests other than Rapid Bacterial Toxicity Tests to determine compliance.

(3) BAND B

Except where the consent falls in Band A sewage or trade effluent

- i) Where the consent conditions contain numeric conditions for any of the following substances:

Metals and Metalloids
Cyanides
Sulphides
Phenolic Compounds (Total and Monohydric)
Methanol
Ethanol
Amines
Fatty Acids
Anionic Detergents
Total Phosphate
Organic Nitrogen Compounds (other than those above and in Band A)

- (ii) Where the consent conditions specify Rapid Bacterial Toxicity Tests to determine compliance.
- (iii) Where consent conditions include bacteria.

(4) BAND C

Except where the consent falls in Bands A or B:

- (i) sewage effluent with numeric conditions other than volume but not including effluents specified in Band E (ii).
- (ii) trade effluent of an organic nature with numeric conditions other than those included in Band G (ii) or Band E (ii).

(5) BAND D

Except where the consent falls in Bands A, B or C:

- (i) Sewage effluent with no numeric conditions other than volume or only descriptive conditions other than those effluents specified in Band E(ii).
- (ii) All other discharges of trade effluents other than those specified in Bands E, F and G.

(6) BAND E

Except where the consent falls in Bands A, B, C or D:

- (i) Site drainage from trade premises.
- (ii) Storm and emergency discharges at treatment works, pumping stations and from drainage systems.

All trade effluents of direct cooling water other than those specified in Band G.

All trade effluents for the prevention of interference with mining or quarrying other than those specified in Band F.

(7) **BAND F**

- (i) Surface water (not containing trade effluent).
- (ii) Trade effluent for the prevention of interference with mining or quarrying for which there are no conditions or the only conditions are one or more of volume, suspended solids, iron, pH and chloride.
- (iii) Any effluent not identified elsewhere.

(8) **BAND G**

- (i) Trade effluent of direct cooling water for which the only conditions are one or more of volume, temperature, pH and chlorine.
- (ii) Trade effluents where the consent permits the discharge of water abstracted from controlled water after use in a trade, subject to limits in the increase of concentrations of Biochemical Oxygen Demand and/or solids in suspension and/or ammonia in the water.

C RECEIVING WATERS

The Receiving Water Factors are:

Ground waters or land	0.5
Coastal waters	0.8
Surface waters	1.0
Estuarial waters	1.5

For the purpose of this paragraph the waters referred to above shall have the following meaning:

GROUND WATERS

Ground waters are any waters contained in underground strata, or in:

- i) a well, borehole or similar work sunk into underground strata, including any adit or passage constructed in connection with the well, borehole or work for facilitating the collection of water in the well, borehole or work; or
- ii) any excavation into underground strata where the level of water in the excavation depends wholly or mainly on water entering it from the strata.

COASTAL WATERS

Coastal waters are any controlled waters seaward from the baselines for estuarial waters (as defined below) and controlled waters seaward from the high water mark (as defined in Ordnance Survey maps) outside estuarial baselines.

SURFACE WATERS

Surface waters are the waters defined as inland waters by section 104(1) of the Water Resources Act 1991.

ESTUARIAL WATERS

Estuarial waters are any waters which are within the area which extends landward from the baselines identified in the 1985 Department of the Environment/National Water Council Pollution Survey maps or such other maps as are deposited at the Authority's Regional offices for this purpose, upstream to the fresh-water limit.

D FINANCIAL FACTOR

The Financial Factor in respect of the Annual Charge is the charge rate set annually in accordance with paragraph 3, above.

7 TIME FOR PAYMENT

- (1) The Application Charge shall be due and payable in full on the making of an application or the giving of a consent if no application is made.
- (2) Payment of the Annual Charge shall be due on 1 April except in the first year of the Scheme when it shall be due on the commencement of the Scheme.
- (3) In the year during which a consent is given payment of the Annual Charge is due 28 days after issue of the consent.

8 DECISIONS UNDER THE SCHEME

Where under the Scheme provision is made for anything to be assessed, agreed, determined, certified or otherwise decided by the Authority such decision may be given on its behalf and certified by the Chief Executive or any officer nominated by him for the purpose.

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