

# SCOTTISH ENVIRONMENT PROTECTION AGENCY

## Water Environment Charging Scheme Guidance

### Water Environment (Controlled Activities) Fees and Charges (Scotland) Scheme 2008

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# SCOTTISH ENVIRONMENT PROTECTION AGENCY

## 1 Introduction

### 1.1 Purpose of this guidance

This guidance explains how SEPA will interpret the Water Environment Charging Scheme (the Legal Scheme). While every attempt has been made to ensure that it covers the different scenarios to which this scheme may apply, the guidance is expected to be subject to further development as SEPA's experience of applying the scheme develops.

This guidance should be considered a 'Supplementary provision' under clause 14.9.1 of the Legal Scheme.

The scheme covers the following activities:

- point source discharges;
- disposal to land;
- abstractions;
- impoundments;
- engineering activities affecting the water environment.

The charges for these activities will depend upon the level of authorisation imposed. The Water Environment (Controlled Activities) (Scotland) Regulations 2005 (CAR) allow for activities to be authorised at three levels:

- General Binding Rules (GBRs)
- Registration
- Licence.

In addition, the Scottish Executive's Policy Statement, which accompanies the Regulations, explains that SEPA will issue simple licences and complex licences.

### 1.2 Overview of charges

The scheme allows for two types of charges:

- **Application fees** – one-off charges that cover SEPA's costs for processing an application made by an operator;
- **Subsistence charges** – annual charges imposed by SEPA to recover the costs of protecting and improving the water environment.

The levels of authorisation are subject to different fees and charges.

- General Binding Rules – no application or subsistence charges
- Registrations (except disposal to land) – application charges only
- Registrations (disposal to land) – application and subsistence charges
- Licences – application charges and in many cases subsistence charges

Other sources of information:

- [Scottish Executive's Policy Statement](#)
- [SEPA's Introduction to CAR](#)

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- [SEPA's CAR Practical Guide](#)<sup>1</sup>
- [the Legal Scheme](#)
- [Application forms](#)
- Charging calculator (link to <http://www.sepa.org.uk/wfd/regimes/charging.htm>)

Printed copies of these documents, the guidance and any other information required to calculate the charges are available from SEPA on request.

### 1.3 Future development of the charging scheme

SEPA developed the Water Environment Charging Scheme over an 18-month period in consultation with a Stakeholder Group consisting of key industry representatives. Information on the membership of the group and the basis upon which the scheme was developed is available at [www.sepa.org.uk/wfd/stake/reg/index.htm](http://www.sepa.org.uk/wfd/stake/reg/index.htm).

The intention of the scheme was to focus charges upon those activities which cause harm to the water environment or have the potential to harm the water environment. This is where SEPA's resources will be directed in order to protect and improve the water environment. However, the development of the scheme was constrained by the limited information available to SEPA on the number and type of activities that would be brought into the CAR regime. But now that CAR is fully operational the information available to us has improved substantially. SEPA is currently reviewing the charging scheme and is planning to bring the revised scheme into effect on 1 April 2009.

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<sup>1</sup> The Water Environment (Controlled Activities) (Scotland) Regulations 2005 – A Practical Guide. SEPA, March 2006.

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## 2 Overview of this guidance

### 2.1 Activities covered

The guidance covers the following types of activities, which will be subject to charges if they are authorised by registration or by simple or complex licences.

- (i) **Point source discharges** of effluent to the water environment or land from a fixed installation, pipe or outlet, which is liable to cause pollution of the water environment. Such activities include the discharge to the water environment of:
  - sewage effluent;
  - trade effluent from factories, mines and quarries;
  - effluent from fish farms;
  - discharges of septic tank effluent to land.
- (ii) **Disposal to land** of substances listed in Schedule II of the Water Environment and Water Services Act (Scotland) 2003 or substances that are liable to cause pollution of groundwater. Typically, this will include activities that previously would have been authorised under the Groundwater Regulations 1998 such as the disposal of spent sheep dip. It does not cover discharges of sewage, the majority of trade effluents (which are licensed as point source discharges) or activities licensed under the Waste Management Licensing Regulations.
- (iii) **Abstractions** – removal or diversion of water from surface and underground waters by well, borehole, water intake or any mechanical means, pipe or engineered construction. These may be for agricultural, industrial or drinking water supply purposes. This does not include the use of water from the mains supplied by Scottish Water.
- (iv) **Impoundments** – construction, alteration or operation of impoundment works in surface waters or wetlands including dams, weirs or other works by which water is impounded (eg hydropower schemes).
- (v) **Building or engineering works** in rivers, lochs and wetlands. This includes bank protection works, straightening or deepening rivers, and the excavation of gravels from rivers and lochs. Controls will also apply to such activities near rivers, lochs and wetlands where they could have an adverse impact. This would include the construction of flood defence structures next to rivers.

### 2.2 Application fees

Section 3 describes how to calculate application fees. Application fees recover the costs of processing an application; they are **one-off** charges and will apply to all applications for registrations and licences.

The approach to calculating application fees is very similar for all activity types.

### 2.3 Subsistence charges

Section 4 describes how subsistence charges are calculated. Subsistence charges are **annual** charges that will recover the bulk of the costs required for SEPA operations. They will apply to most types of licence.

Registrations will only be subject to subsistence charges where they authorise disposal to land (eg disposal of sheep dip).

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The subsistence section describes how to calculate the charges for each type of activity. The approach to defining charges differs between the types of activity.

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## 3 Application fees

This section describes the range of application fees included within the scheme. The fees for the different types of application that an operator may make are presented below.

### 3.1 Types of application fees

An application may refer to a single activity (eg an abstraction from a borehole) or may cover large numbers of different activities (eg 200 abstractions and 10 dams). Depending upon the type of application, a single fee may apply to the application or there may be separate fees for each activity covered by the application.

Where an application requires an environmental assessment, the fees will normally apply to each controlled activity. In most cases, where an application only requires an administrative process and does not involve an environmental assessment, then the fee will apply to the licence or registration and will not be determined by the number of activities.

The following types of applications will be subject to fees:

- (i) **Application for registration or licence** (charge applies to each activity);
- (ii) **Imposition of a registration or licence** (charge applies to each activity);
- (iii) **Technical variation of a licence** (charge applies to each activity);
- (iv) **Administrative variation of a registration or licence** (charge applies to whole licence or registration except where the application refers to adding points to a mobile plant licence where the fee refers to each abstraction location added);
- (v) **Transfer of a licence to another person** (charge applies to whole licence);
- (vi) **Information is commercially confidential** (charge applies to whole licence or registration).

### 3.2 Application fee for a registration or licence

This sub-section describes clause 3 of the Legal Scheme. The application fee will vary according to the level of authorisation and the type of regime.

An explanation of which activities fall into registration, simple licences and complex licences is provided in *The Water Environment (Controlled Activities) (Scotland) Regulations 2005 – A Practical Guide*. This guide can be found on our website at [www.sepa.org.uk/wfd](http://www.sepa.org.uk/wfd).

When assessing an application, SEPA may consider that the environmental risks posed by the activity justify moving it up a level of authorisation. Consequently, activities that would normally be covered by a General Binding Rule could be authorised as a registration or licences. Similarly activities normally authorised as a registration could be authorised as a licence. Under these circumstances, the

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applicant would pay only the application fee for the level of authorisation specified in the *CAR Practical Guide*.

## **Application fees for point source discharges, disposal to land, abstractions and impoundments**

Application fees for registrations and simple licences are the same across all water resources and pollution control activities. However, the costs for complex licence applications differ between water resource and pollution control activities (see Table 1).

The application fee is applied per activity. For applications for multiple activities, the application fee is therefore based on the number of registration, simple licence or complex activities in an application. See Section 3.3 and Table 3 for further guidance on reductions for multiple activities.

There are reduced fees for registrations that are made entirely via the SEPA website (see Table 1).

**Table 1** Application fees (per activity) for authorisation of controlled activities\*

Authorisation type	Water resources		Pollution control	
	Abstraction	Impoundment	Point source	Disposal to land
Online registration	£74	£74	£74	£74
Registration	£100	£100	£100	£100
Simple licence	£574	£574	£574	£574
Complex licence	£3,121	£3,121	£2,550	£2,550

## **Application fees - special cases**

### **Disposal of waste sheep dip or waste pesticides to land**

For the multiple disposal of waste sheep dip or waste pesticides to land activities within land operated by a single person, a single fee will apply. Common grazing and/or related in-bye land managed by a grazing committee will also be treated in this way.

### **Mobile abstraction plant (clause 5.4.2.1)**

Where an abstraction activity is mobile and moves from location to location (eg irrigation pump), an application may be made for a mobile plant licence.

You will pay a simple licence application fee for a licence to abstract up to 2000 cubic metres per day and a complex licence application fee for a licence to abstract more than 2000 cubic metres per day, for a new mobile plant licence, however, you will **not** have to pay any application fees for the number of locations where the plant is used.

In order to apply for a mobile plant licence, you will need to:

- specify the maximum daily volume which the pump(s) can abstract;
- list the sites where the plant will be used.

Points to note:

- A site can be a stretch of river with a broadly consistent flow.



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- Adding more than five sites to your licence will double the cost of your annual subsistence charge (see section 7).
- Adding more than 25 sites will increase your annual subsistence charges by 3.6 times (see section 7).

If you wish to add new sites to your mobile plant licence then SEPA will review your licence. This review will be subject to an administrative variation charge of £78 per site (see section 3.7). As the number of sites listed in the schedule will affect your subsistence charge (see section 7) you should remove sites that are no longer used from the licence. No charge will be incurred for removing sites.

The mobile plant licence will not refer to a specific piece of equipment. You will not therefore have to apply for a new licence when you renew the equipment. Instead the licence allows for the use of one piece of equipment capable of pumping a defined volume.

If you upgrade the equipment (eg so that larger daily volumes are abstracted), then a variation of authorisation would be required (see section 3.9).

### Application fees for engineering activities

[The Water Environment \(Controlled Activities\) \(Scotland\) Regulations 2005 – A Practical Guide](#) explains how to allocate engineering activities to the levels of authorisation.

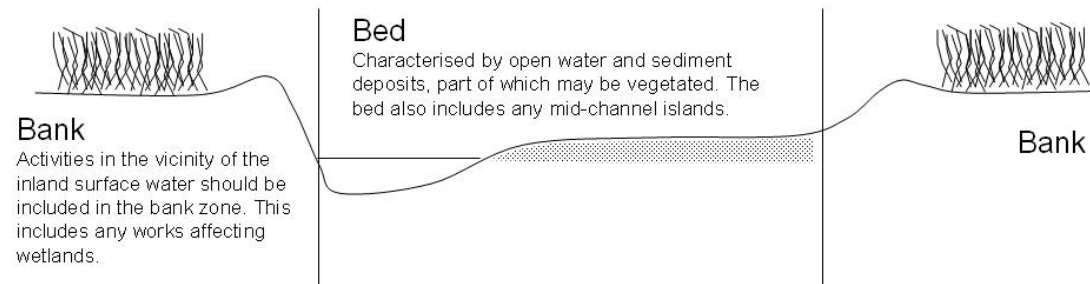
Application fees for engineering activities covered by registration or simple licences will be the same as those for pollution control and water resources. However, fees for complex licences vary according to the length of river affected (Table 2).

**Table 2** Application for authorisation fees for engineering activities

Authorisation type	£
Online registration	74
Registration	100
Simple licence	574
Complex licence	
1 Length of works or structure on <250 m of bank	1,275
2 Length of works or structure on 250 m to 1 km of bank	1,749
3 Length of works or structure on >1 km of bank	4,025
4 Length of works or structure on <250 m of bed	2,412
5 Length of works or structure on 250 m to 1 km of bed	3,051
6 Length of works or structure on >1 km of bed	5,620

In order to calculate a complex licence fee, you need to define the length of bed **or** bank (Figure 1) affected by this type of engineering work.

**Figure 1** Schematic showing the components of a water body



**Notes:**

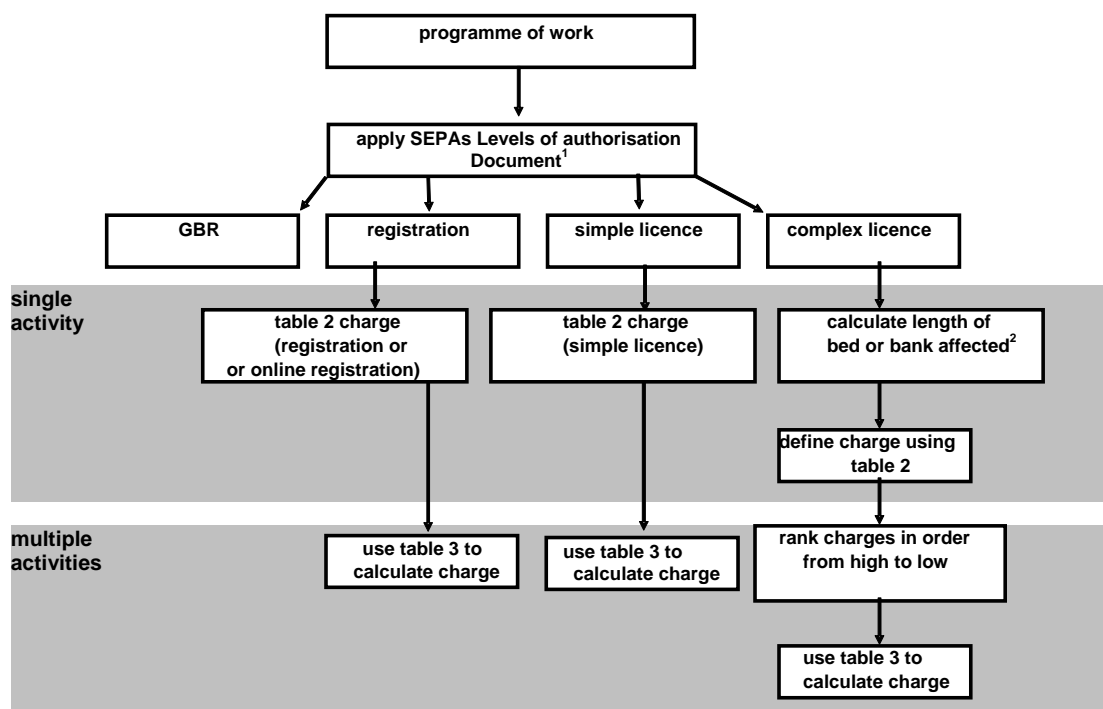
- 'Bank' – the bank of a river, shore of a loch and wetlands together with areas in the vicinity of rivers, lochs and wetlands
- 'Bed' – the bottom of a river or loch which may be under water.

Where a number of associated activities are submitted to SEPA as part of a programme of work, then SEPA will typically combine the activities into a single licence. This will provide an effective basis upon which the whole programme may be regulated.

Use the flow chart given in Figure 2, together with Tables 2 and 3, to calculate the application charges for your engineering activities.

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**Figure 2** How to calculate application charges for engineering activities



## Notes:

- 1 *The Water Environment (Controlled Activities) (Scotland) Regulations 2005 – A Practical Guide.*
- 2 *When you have calculated the length of bed and bank affected, it is the highest charge which applies. You do not pay two charges for both bank and bed.*

## 3.3 Reduced fees

### Environmental service (clause 6)

Some controlled activities may be exempt from application fees if SEPA considers that the activity is delivering an environmental service (see Annex I). If you consider that your activity meets the criteria listed in Annex I you must tick the environmental service box on the application form and provide additional justification as requested on the form. Justification should explain how the activity fits within one of the environmental service categories in Annex I. The appropriate (registration, simple or complex) application fee should be included. If the request for environmental service is accepted then the fee will be refunded.

### Reduced application fees for multiple associated activities (clause 4)

Table 3 presents the discounts which apply to applications for multiple associated activities (subject to the conditions in the box below).

These apply to all applications including for applications for variations.

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This represents the guidance referred to under the definition of “associated” activity in Clause 2.1 of the Legal Scheme.

### REGISTRATIONS

Multiple registration activities applied for by the same applicant and at the same time are considered associated and therefore are subject to the discounts presented in Table 3.

### SIMPLE & COMPLEX LICENCES

Multiple activities covered by a single licence and will be subject to the discounts presented in Table 3 when the following conditions apply.

- **Multiple simple licence abstractions and multiple complex licence abstraction** are considered associated if they are operated as a single scheme. This is the case where the abstractions are linked by common pipe or distribution networks or feed a single factory, treatment works or power station. This also includes a number of mobile plants operated by one person or by one company.
- **Multiple simple licence impoundments and multiple complex licence impoundments** are considered associated if they are operated as a single scheme or managed as part of one estate.
- **Multiple engineering activities** are considered associated where the activities are part of the same project or programme of work.
- **Multiple simple licence point source discharges and multiple complex licence point source discharges** are considered associated where they are from a single treatment plant or industrial premises, or are linked by a common pipe or collection system.
- **Multiple cross regime activities** where the activities meet the above definitions of associated activities and are part of the same project or body of work.

Where the number of activities have a wide geographical spread (particularly if this affects different catchments), SEPA may divide the activities so that they are covered by separate licences. This will ensure that the licences are defined at a scale that allows SEPA to regulate effectively. SEPA will discuss with you how it intends to structure the licence(s). In this case, reductions for associated activities will only apply within individual licences.

The discounts specified in Table 3 in application fees will be applied within each level of authorisation. For example, there will be reductions for three registrations but **not** for three activities which fall within the separate levels of authorisation (registration, a simple licence and a complex licence).

The discounts specified in Table 3 will be applied across regimes for registrations and simple licences. For example, there would be a reduction for three simple licences activities covering an abstraction, impoundment and engineering activity.

Reductions will **not** be applied across regimes for complex licences. For example, there will be **no** reductions for applications covering three activities (abstraction, impoundment and discharge), each of which will require to be covered by a complex licence.

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**Table 3** Discounted fees for multiple applications covering associated activities

Type of authorisation	Application fees per activity				
	Cost of 1st	Cost of 2nd to 5th	Cost of 6th to 25th	Cost of 26th to 100th	Cost of 101st and above
<b>All regimes</b>					
Online registration (All)	£74	£37	£33	£30	£26
Registration (All)	£100	£49	£44	£40	£35
Simple licence (All)	£574	£374	£316	£258	£258
<b>Point source</b>					
Complex licence	£2,550	£1,784	£1,530	£1,530	£1,530
<b>Abstraction</b>					
Complex licence	£3,121	£2,185	£1,873	£1,873	£1,873
<b>Impoundment</b>					
Complex licence	£3,121	£2,185	£1,873	£1,873	£1,873
<b>Engineering</b>					
Complex licence <250 m bank	£1,275	£893	£766	£766	£766
Complex licence 250 m to 1 km bank	£1,749	£1,225	£1,050	£1,050	£1,050
Complex licence <250 m bed	£2,412	£1,689	£1,447	£1,447	£1,447
Complex licence 250 m to 1 km bed	£3,051	£2,136	£1,831	£1,831	£1,831
Complex licence >1 km bank	£4,025	£2,817	£2,415	£2,415	£2,415
Complex licence >1 km bed	£5,620	£3,935	£3,372	£3,372	£3,372

## 3.4 Imposition of a licence or registration

SEPA will impose a licence or a registration where an operator refuses to apply for an authorisation. The operator will be charged the appropriate application fee together with a 30% supplement charge to reflect the additional administrative and legal work involved in imposing a licence.

## 3.5 Application fees for technical variations

The fee for technical variations will be payable where an operator applies to change the conditions of a licence in a way that will **increase** the impact upon the water environment. Applications for variations which result in a reduction in the impact upon the environment will be considered as an administrative variation.

A technical variation will involve an environmental assessment of the impact and may lead to SEPA modifying the licence conditions or adding new licence conditions, as necessary, to mitigate the impact. Examples of technical variations would include a request to increase the volume abstracted or to change the composition of a discharge.

The work involved will be similar to that required for determining a new application for authorisation. Consequently, the fees for technical reviews will be **75%** of the appropriate application fee specified in Tables 1, 2 or 3. The same discounts will apply for multiple associated activities.

Such technical variations will apply only to licences, as all variations of registrations will be considered an administrative variation (see also section 3.7).

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The fees will apply to water resources, pollution control and engineering activities. The fees will be based upon the number of activities within a licence that are being changed. For example, if a licence authorises six controlled activities and an operator submits an application to modify two of these, the fee will be calculated on the basis of these two activities.

If the proposed changes move an activity up to a different level of authorisation, then the fee will be calculated on the basis of the new level of authorisation. For example, if an operator applies to increase the volume abstracted and this takes the abstraction from a simple licence to a complex licence, then the fee will be based upon the complex licence application fee.

SEPA will not charge a variation fee when it initiates a variation of an authorisation intended to change licence conditions so as to deliver an environmental improvement. However, if a variation needs to be advertised because SEPA considers that an exemption (derogation) is appropriate, then the operator will be required to cover the costs of the advertisement.

### 3.6 Application fee for an administrative variation

SEPA will require a fee of £78 where an operator applies to amend a licence where only an administrative change is required. This fee will cover changes to the whole licence irrespective of the number of activities that the licence covers.

An administrative change will either not have environmental implications or it will reduce the impact of the activity upon the environment.

The fees will apply to water resources, pollution control and engineering activities.

Administrative variations will **not** include minor changes such as address details. SEPA will undertake these changes free of charge.

### 3.7 Surrender of an authorisation

The termination of an activity which leads to the surrender of an authorisation or part of an authorisation removes an environmental risk. Consequently, there will be no charge for such surrenders. This exemption from charges includes the:

- partial surrender of an authorisation where an activity is removed from a licence;
- full surrender of an authorisation where all the activities covered by an authorisation cease.

### 3.8 Variation of a mobile plant licence

If the operator wishes to add a new location to the schedule in a mobile plant licence, there will be an administrative fee of £78 for **each location** added to the schedule.

However, if an operator wishes to increase the volume abstracted by a mobile plant, then this will be considered as a technical variation and the fee would be 75% of the normal application fee (eg 75% of £574 simple licence application fee).

### 3.9 Application fee to transfer a licence to another person (clause 11)

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An application to transfer responsibility for a licence (in whole or in part) will be subject to a fee of £78 for each licence.

Registrations are not specific to a person and do not need to be transferred.

### **3.10 Application fee for commercially confidential determination (clause 12)**

The information supporting an application is normally made publicly available to allow interested parties to make representations concerning the application. However, an operator may consider such information to be commercially confidential. Under these circumstances, SEPA will decide whether the request to withhold the information from the public register is justified.

A request for commercial confidentiality will be charged an additional £689 in addition to the normal application fee.

The payment of this additional fee does not guarantee the confirmation of a request for commercial confidentiality. The regulations provide for appeal provisions should SEPA refuse an application for commercial confidentiality.

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## 4 Subsistence charges

This section is based on clause 5.0 of the Legal Scheme and describes how to calculate annual subsistence charges.

### 4.1 What are subsistence charges?

Annual subsistence charges cover the cost to SEPA of undertaking work to deliver environmental protection and improvement in Scotland. This covers environmental monitoring and administering the control regimes.

The charges will be applied to:

- abstraction licences;
- licensed impoundments where the volume impounded exceeds 25 megalitres (ML);
- point source licences on SEPA's monitoring plan;
- activities involving disposal to land that have been deemed as registrations as part of the transfer process or which SEPA has determined as simple licences;
- engineering licences on SEPA's monitoring plan.<sup>2</sup>

Registrations (other than those covering disposal to land) will not be subject to any annual subsistence charges. There are no charges for activities authorised by General Binding Rules.

### 4.2 When will subsistence charges start?

SEPA sometimes receives retrospective applications for activities which are already operating but where the operator has not applied for a licence. For such **existing** abstractions, impoundments, point source discharges and disposal to land activities which were operating on 1 April 2008 the licence will authorise the activity from 1 April 2008. Subsistence charges will be backdated to 1 April 2008 irrespective of when the application was made during the financial year 2008/09 or when the authorisation was issued (clause 14.4 of the Legal Scheme).

Applications for authorisation may be made several years in advance of the start of a controlled activity. For such **new** abstractions, impoundments, point source discharges and disposal to land, subsistence charges will be applied from the date specified in the authorisation when the activity is to start. Where the licence does not specify the start date, then charges will commence from the date of issue of the authorisation. It should be noted that section 3 in Annex II of the guidance allows an operator to notify SEPA in advance that a licensed point source discharge or abstraction will not occur over the calendar year. Under these circumstances, SEPA will not impose a subsistence charge.

Dam construction can take several years to complete and involve complex engineering activities. For such construction activities, the impoundment subsistence charges will start from the date construction begins and will be based on the design criteria for the dam. These charges will cover SEPA's costs relating to the construction phase of the impounding works. Engineering activities that are part of the same scheme but not directly associated with the impoundment (eg

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<sup>2</sup> In the first year of monitoring, the costs will be covered by application charges.



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pipe or road crossings) may require specific engineering authorisations and attract separate charges.

SEPA anticipates that most engineering authorisations will cover one-off activities that will be completed within a year. Consequently, the application charge will include monitoring and regulatory costs for that year which would normally be covered by subsistence charges. This avoids the need for two payments for a short-term activity. In the limited number of circumstances where subsistence charges will apply to engineering activities, they will not come into force until 12 months after initiation of the work.

### 4.3 The two stages of calculating charges

#### Stage 1

The first stage of calculating the subsistence charges for an activity is to determine the level of authorisation (General Binding Rules, registration, licence). SEPA has produced separate guidance to explain how the level of authorisation will be determined. The [\*CAR Practical Guide\*](#) can be found on our website.

#### Stage 2

The second stage is to calculate the appropriate charge for the level of authorisation using this guidance.

SEPA has developed a web-based calculator to assist you with calculating the charges. This is available from

<http://www.sepa.org.uk/wfd/regimes/charging.htm>

### 4.4 Structure of subsistence charging scheme

The charging scheme categorises activities into a series of banded charging factors

#### Charge factors

Factors have been identified for each regime. These factors represent key attributes of the activity which SEPA considers to have environmental significance and which will, therefore, influence the allocation of our effort.

#### Charge bands

Each factor is divided into bands reflecting the characteristics of an individual activity. Each band has a factor which is used in the calculation of the charge. The charges are calculated by multiplying together the factors for the relevant bands and a financial factor.

The **financial factor** is a single monetary amount derived from the total sum which SEPA is obliged to recover in order to deliver the statutory obligations for each regime.

### 4.5 Reduced charges

#### Environmental services (clause 6)

Some controlled activities will be eligible for an exemption from subsistence charges if SEPA considers that the activity delivers an environmental service (see Annex I). To apply for an exemption from charges, an operator must have ticked the environmental service box in the application form and provided the additional justification as requested on the form.

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## **Refunds of subsistence charges (clause 13)**

If part-way through a year, a licence is surrendered or reviewed to a registration or to a lower subsistence band, SEPA will provide a pro rata rebate on subsistence charges that may have been paid in advance.

## **4.6 Individual regulatory regimes**

The details of the subsistence charges for each regime are described in Sections 6–10. However, one **important difference** between the engineering regime and the other regimes should be emphasised.

The water resource (abstraction and impoundment), point source discharge and disposal to land regimes regulate ongoing activities that will be subject to subsistence charges to support continued regulation and environmental monitoring.

In contrast, the engineering regime controls new activities that are undertaken over a defined period. The costs associated with this regime will be primarily raised from application charges, with only a small proportion of activities being subject to subsistence charges. Such subsistence charges will apply only to those engineering activities that require a period of monitoring which continues after the first year.

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## 5 Point source discharge subsistence charges

This section is based on clause 5.2 of the Legal Scheme and describes how subsistence charges for point source discharges to the water environment should be calculated.

Point source discharges are those discharges of effluent to the water environment or land from a fixed installation, pipe or outlet which are liable to cause pollution of the water environment. Such activities include:

- the discharge of sewage effluent to the water environment or to land;
- effluents from trade activities such as factories, mines, quarries and fish farms which are made to the water environment or to land.
- Run-off from large impermeable areas.

It should be noted that charges are determined by section 6 if a discharge **to land** involves the:

- tipping or disposal of spent sheep dips to land;
- disposal of pesticide washings to land.

Subsistence charges will be applied only to licensed activities included in our monitoring plan. The monitoring plan specifies which discharges SEPA will sample or inspect.

Charges for point source discharges will be calculated on the basis of individual controlled activities. There are some exemptions from charging explained in Annex II. The rules for applying subsistence charges to multiple discharges are explained in Annex III.

### 5.1 Subsistence charge factors

The annual subsistence charge will be calculated by the multiplication of four factors: volume, content, receiving waters and financial (Table 4).

**Table 4** List of charging factors for discharge control regime

	Charging factor	Definition
V	Volume	Authorised maximum daily volume that may be discharged
C	Content	Type and nature of the discharge
R	Receiving waters	Type of water that the discharge is made into (groundwater, river, coastal, etc.)
F	Financial	
<b>Charge (£) = V × C × R × F</b>		

#### Volume factor (V)

This factor relates to the authorised maximum daily volume of discharge. The factors in the volume bands broadly reflect our regulatory effort (ie in most cases, a larger discharge will warrant more frequent discharge sampling and inspection). In addition, the sampling frequencies for discharges above certain sizes are fixed by other legislation such as the Urban Waste Water Treatment (Scotland) Regulations 1994. Table 5 lists the bands and factors for this factor.

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**Table 5** Volume factor – bands and factors

Band	Cubic metres per day	Factor
V1	Up to and including 5	0.3
V2	More than 5 up to and including 20	0.5
V3	More than 20 up to and including 100	1
V4	More than 100 up to and including 1,000	2
V5	More than 1,000 up to and including 10,000	3
V6	More than 10,000 up to and including 50,000	6
V7	More than 50,000 up to and including 150,000	12
V8	More than 150,000	24

## Allocating a Volume band to sewage treatment works (clause 5.2.5(4))

The calculation of the maximum daily volume of the final effluent from sewage treatment works will depend on available information.

- If the dry weather flow is known, the maximum daily flow is three times this value.
- Where the dry weather flow is not known, the maximum daily volume is 2.4 times the average daily flow.
- Where both the dry weather flow and average daily flow are not known, take the flow to full treatment as the maximum daily volume.

## Allocating a volume band where no volume is stated

Where no maximum daily volume or maximum biomass is given in a licence, then the volume band is V3 (factor = 1.0), unless the discharge is:

- made in an emergency;
- surface water (not containing trade effluent);
- permitted by the licence on not more than four days per year;
- sewage from a plant serving less than 25 people.

In such cases, the band is VI (factor = 0.3).

## Allocating a volume band to storm and emergency overflows

Storm and emergency discharges are intermittent and derived maximum daily volumes should **not** be used to allocate a volume band.

For the purposes of charging, the volume band is allocated as follows:

- Storm tank discharges and storm sewer overflows and combined sewer overflows (CSOs) = V3
- Pumping stations and emergency discharges = V1
- Combined emergency and storm overflows = V3
- Surface water (not including trade effluent) = V1

For effluent from a marine cage fish farm, the volume factor relates to the maximum weight of fish permitted by the authorisation.

In the case of a freshwater cage fish farm, the volume factor relates to the annual production of fish as specified in the authorisation as shown in Table 6.

For any cage fish farm where the licence does not state a biomass, the volume factor is band V2 (factor = 0.5).

**Table 6** Volume factor – bands and factors for cage fish farms

Band	Tonnes per year	Factor
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V1	Up to and including 200	0.3
V2	More than 200 up to and including 1,000	0.5
V3	More than 1,000	1

### Content factor (C)

This factor relates to the type and nature of the substances authorised for discharge. The factors within the bands reflect the relative cost of analysis for these substances. Table 7 lists the bands and factors for this factor.

For example, an effluent containing toxic substances in bands A or B requires complex, specialised, analytical techniques and equipment, and is significantly more costly to analyse than those which do not. Similarly, the costs of analysing a discharge from a sewage treatment works will be significantly more than that from a cooling water discharge.

The different bands and example discharges are described below.

**Table 7** Content factor – bands and factors

Band	Indicative definitions (see Legal Scheme for full definitions)	Factor
A	Toxics – as specified in scheme	14
B	Toxics – as specified in scheme	5
C	Organic effluents – numeric limits	3
D	Sewage effluents – descriptive limits; Other trade effluents	2
E	Combined storm overflows, emergency overflows, quarries, etc.	1
F	Surface water, etc.	0.5
G	Tank fish farms, etc.	0.3

Band A is for discharges of trade or sewage effluent only. The authorised determinands falling in Band A will require more sophisticated and costly analytical techniques than those in other bands. They therefore attract the highest factor (14.0).

For Band A to apply, numeric conditions must be stated in the licence.

Examples of Band A discharges include:

- complex chemical trade effluents;
- sewage effluents containing pesticides (eg Eulan, synthetic pyrethroids);
- wood preservatives (eg HCH – lindane, pentachlorophenol).

### Band B

Band B is for discharges of trade or sewage effluent only. It is assumed that the substances in Band B generally require less expensive analytical techniques than those in Band A. They therefore attract a lower factor of 5.0.

For Band B to apply, numeric conditions must be stated in the licence.

Examples of Band B discharges include:

- process waters from the iron & steel and non-ferrous metal industries;
- less complex chemical trade effluents;
- some mine water discharges (containing non-ferrous metals);
- sewage effluents with metal or peracetic acid limits;

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- landfill leachate;
- trade effluent from cage fish farms where the licence contains numeric conditions limiting the use of chemical therapeutants for the control of parasites or diseases (.g. dichlorvos, azamethiphos).

### Band C

Band C is for discharges of trade or sewage effluent that have numeric conditions on the less complex determinands, ie substances not listed in Bands A or B (with the exception of discharges in Bands E, F, G).

Examples of Band C discharges include:

- all sewage effluents with numeric conditions on substances not listed in Bands A or B (eg solids, biochemical oxygen demand (BOD), ammoniacal nitrogen) and with a numeric volume condition  $>5\text{m}^3/\text{day}$ ;
- trade or sewage effluents with numeric conditions on oil and formaldehyde content;
- food industry effluents;
- abattoir effluent;
- soft drinks manufacturing effluents;
- dairy/creamery effluents;
- farm effluents;
- landfill leachate.
- trade effluent from cage fish farms where the licence does not contain numeric conditions on chemical therapeutants other than hydrogen peroxide.

### Band D

Band D applies to trade or sewage effluent only. It applies to sewage effluents with descriptive conditions and acts as a default band for trade effluents that do not fall into other bands. Many trade effluents can be allocated to specific bands due to the inclusion of specific numerically-limited determinands in their licence (A, B or C) or because there are special bands for that type of effluent (E, F or G). Thus Band D is a default band to be used as a last resort.

Examples of Band D discharges include:

- all sewage effluents with descriptive conditions discharging more than  $5\text{ m}^3/\text{day}$ ;
- purges, blow-downs and indirect cooling waters (eg from cooling towers, quench waters, non-domestic swimming pool discharges, mineral washwaters).

Although it is trade effluent, contaminated site drainage from trade premises should be allocated to Band E.

### Band E

Band E is the first band to apply to all categories of discharge (ie to trade and sewage effluent, and to matter other than trade or sewage effluent).

Examples of Band E discharges include:

- site drainage from trade premises (eg commercial car park drainage);
- any storm and/or emergency discharges of sewage effluent;
- direct cooling waters with numeric conditions other than volume, temperature, pH and chlorine;

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- trade effluent to prevent interference with mining and quarrying except those containing only conditions for volume, suspended solids, iron, pH and chlorine (ie where the discharge includes surface water run-off).

Allocate to Band G those discharges of direct cooling water that have licence conditions that refer only to volume, temperature, pH and chlorine, or have licences with no conditions.

### Band F

Band F applies to surface water and trade effluent from mining and fish farming. It is also the default band for any other effluent that cannot be identified elsewhere in the scheme (ie discharges of matter other than trade or sewage effluent).

Examples of Band F discharges include:

- all surface water effluents not containing trade effluent;
- trade effluent to prevent interference with mining and quarrying, for which the only conditions are one or more of volume, suspended solids, iron, pH and chlorine. In order to be allocated to Band F, effluents of this nature must not include any site drainage/surface water run-off from the mining area.
- discharges from, for example, fish hatcheries that are operated by a club, and are therefore not trade effluent;
- trade effluent from fish farming activity, other than cage fish farming, where the licence contains numeric conditions on determinands other than BOD, solids, ammonia or nutrients. Such fish farms may have numeric conditions on formaldehyde and chloramine T.

### Band G

Band G applies to discharges of trade effluent containing only direct cooling water or from tank fish farming.

Examples of Band G discharges include:

- where a direct cooling water has no conditions (inclusion of a numeric oil limit (probably unnecessary for direct cooling water) would push the discharge into Band E);
- trade effluent from tank fish farms that have numeric conditions on BOD, solids, ammonia or nutrients but no other determinands.

### Summary of rules

- All sewage effluents must be allocated either Bands A, B, C, D, or E.
- Trade effluent from cage fish farms must be allocated either Bands B or C.
- Trade effluent from tank fish farms must be allocated either Band F or G.
- Discharges of site drainage from trade premises must be allocated Band E.
- All other discharges of surface water must be allocated Band F.

### **Receiving waters factor (R)**

This factor reflects the type of receiving water into which the discharge is made. The factors within the bands reflect the relative cost of carrying out environmental monitoring of the discharge.

For example, environmental monitoring within estuaries (transitional waters) and coastal waters is more costly than that for inland waters due to the use of more expensive boat surveys.

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Table 8 lists the bands and factors for this factor.

**Table 8** Receiving waters factor – bands and factors

Band		Factor
R1	Groundwater or land	0.5
R2	Coastal waters	1.5
R3	Inland waters	1.0
R4	Transitional waters	1.5

### Financial factor (F)

The projected figures after 2008/09 (Table 9) do not include the annual increase in the retail price index (RPI), which will be added each year.

**Table 9** Projected financial factors (excluding RPI) up to 2009/10

Year	£
2008/09	663
2009/10	672

### 5.2 Seasonal discharges (clause 5.2.4)

The annual charge may be proportionally reduced where one of the following circumstances can be demonstrated:

- A licence that specifically states the period of the year during which the discharge will be permitted.
- Another statutory licence that restricts the period during which the discharge is made. SEPA will accept, for instance, planning consent conditions placed on a discharger by a planning authority caravan site licence conditions granted under the Caravan Sites and Control of Development Act 1960.

NB This list is not exhaustive.

A reduction will not apply to cage fish farm sites which are fallow for part of the year. Under these circumstances SEPA may monitor sites during short term fallow periods and will, therefore, need to recover our costs. See annex II for exemptions from charges for during periods where a cage fish farm site is fallow for a period of a calendar year or more.



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## 6 Disposal to land subsistence charges

This section describes how to calculate subsistence charges for activities involving disposal to land.

The charges will cover activities involving the tipping, disposal and/or discharge of substances to land that either involves substances listed in Schedule 2 of the **Water Environment and Water Services (Scotland) Act (WEWS)** or matter which may cause pollution of groundwater.

The charges under this section do not cover discharges of sewage or the majority of trade effluents to land, as these will be charged under the point source regime. In addition, this section does not cover disposal activities which require licensing under the Waste Management Licensing Regulations.

Activities that were previously authorised under the Groundwater Regulations 1998 will be deemed as registered under the Water Environment (Controlled Activities) Scotland Regulations (CAR). Such activities include:

- the tipping or disposal of spent sheep dips to land;
- the disposal of pesticide washings to land.

These registrations will be transferred progressively to simple licences as part of the programmed four-yearly reviews. To ensure cost recovery, SEPA will require subsistence charges from operators whether the activity is authorised by a simple licence or temporarily authorised by registration.

New applications under this regime will typically be authorised as simple licences.

A single subsistence charge will apply if there are multiple disposal activities within land operated by a single person. Common grazing and/or related in-by-land managed by a grazing committee will be treated as being land occupied by the same person.

### 6.1 Subsistence charge factors

The annual subsistence charge will apply to activities registered or covered by a licence and will be the product of four factors: volume, content, receiving waters and financial (Table 10).

Charges will be levied per authorisation whether this is a registration or licence.

**Table 10** List of charging factors for disposal to land control regime

	Charging factor	Definition
V	Volume	Authorised maximum daily volume of discharge
C	Content	Nature and content of the substances being discharged
R	Receiving waters	Receiving waters of the discharge, ie groundwater
F	Financial	
<b>Charge (£) = V × C × R × F</b>		

#### Volume factor (V)

This factor relates to the maximum daily volume of discharge permitted by the authorisation. Table 11 lists the bands and factors for this factor.

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Where no maximum daily volume is given in an authorisation, the volume factor is 1.0.

**Table 11** Volume factor – bands and factors

Band	Volume (cubic metres/day)	Factor
V1	Up to and including 5	0.3
V2	More than 5 up to and including 20	0.5
V3	More than 20	1.0

### **Contents factor (C)**

This factor equates to other trade effluents in contents Band D in the point source charging scheme.

The contents factor is 2.0.

### **Receiving waters factor (R)**

This factor equates to the groundwater/land band (R1) in the receiving waters factor of the point source subsistence scheme detailed in Section 5.

The receiving waters factor is 0.5.

### **Financial factor (Fd)**

From 1 April 2008, the financial factor for disposal to land activities will be £664. The projected figures (Table 12) do not include the annual increase in the retail price index after 2008/09. These will be added each year.

**Table 12** Projected financial factors (excluding RPI) up to 2009/10

Year	£
2008/09	624
2009/10	633

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## 7 Abstraction subsistence charges

This section describes how subsistence charges for abstractions from the water environment will be calculated.

Annual subsistence charges will apply to licensed abstractions. There will be no subsistence charges for registration level activities included as part of a water use licence.

The abstraction subsistence charges will be calculated for a licence and not for each individual controlled activity. This is because abstraction licences can include large numbers of activities managed within a single scheme. Monitoring and regulation will be undertaken at the scheme level..

In calculating abstraction charges, operators will only be charged once for the abstraction of water. For example, if abstracted water is stored and then re-abstracted, there will be a charge for the initial abstraction only. If water is abstracted, returned to a river and then re-abstracted under the same licence there will still only be a charge for the initial abstraction.

### 7.1 Subsistence charge factors

Abstraction costs will be allocated between activities according to eight factors. These factors are listed in Table 13 and described in detail below.

Abstractions which individually would be covered by a registration may be included within a licence together with other licensable abstractions. When calculating the charge for the overall licence, SEPA will not include the registration-scale abstractions when assessing in which band to place a licence.

**Table 13** List of charging factors for abstraction control regime

	Charging factor	Definition
Va	Volume abstracted	Authorised volume of water that may be abstracted in a single day
Lo	Loss	Proportion of water that is returned relative to the amount abstracted
Le	Length affected	Distance between the abstraction point and where the water is returned
So	Source type	Type of water that is being abstracted (inland surface and groundwater, or estuary/coastal)
Se	Seasonality	Whether the abstraction is only seasonal or may occur throughout the year
Pa	Proportion of flow	Proportion of the natural 95th percentile flow that is abstracted
Na	Number of abstractions	Will apply where several abstractions are operated as, or support, a single operation
Fa	Abstraction financial	Monetary factor in £ set to ensure cost recovery
<b>Charges (£) = Va × Lo × Le × So × Se × Pa × Na × Fa</b>		

The abstraction factors are described in detail below.

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## Volume abstracted factor (Va)

The cumulative daily volume of all the abstractions covered by the licence will be used to determine which band a particular site or scheme will fall into. When calculating the total volume abstracted the volume abstracted by activities which would have been covered by a registration will not be included.

The volume factor for mobile plant will be considered to be the cumulative pump capacity of all the plant included in the licence.

Table 14 lists the volume bands and their associated factors.

**Table 14** Volume abstracted factor – bands and factors

Band		Factor
1	>150 ML per day	22.8
2	>50 to 150 ML per day	13.7
3	>10 to 50 ML per day	9.3
4	>2 to 10 ML per day	5.0
5	>100 to 2,000 m <sup>3</sup> per day	1.0
6	>50 to 100 m <sup>3</sup> per day	0.3
7	0 to 50 m <sup>3</sup> per day	0.0

Note: 1,000 litres = 1 cubic metre (m<sup>3</sup>); 1,000 cubic metres = 1 megalitre (ML).

## Loss factor (Lo)

This factor represents the amount of water lost during use and is closely associated with the environmental impact of an abstraction. The risk of environmental harm is greater if the water is not returned to the water environment. Consequently, the factors for the different bands mean that there will be higher charges if the water is consumed than if the water is entirely or partly returned (Table 15).

If a single licence authorises multiple abstractions, then the total volume returned directly to the water environment should be expressed as a percentage of the total volume abstracted.

**Non-consumptive** means that typically over 95% of the abstracted water is returned directly to the water environment. Unless demonstrated otherwise using site specific data<sup>3</sup>, the following activities will be considered non-consumptive:

- hydropower generation;
- amenity pools through flow;
- hydraulic testing;
- fish farms;
- watercress growing;
- non-evaporative cooling.

- **Partially consumptive** means that typically between 10% and 95% of the abstracted water is returned directly to the water environment. Unless demonstrated otherwise using site specific data<sup>5</sup>, the following activities will be considered partially consumptive:
  - public and private water supply;
  - commercial and industrial purposes not specified elsewhere;
  - use as a means of conveying material;

<sup>3</sup> The demonstration must prove that the criteria do not apply at a site-specific level. SEPA will not accept generic assessments across sectors or collection of sites.

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- washing;
  - evaporative cooling and other evaporative uses.
- **Consumptive** means that typically less than 10% of the abstracted water is returned directly to the water environment. Unless demonstrated otherwise<sup>5</sup>, the following activities will be considered consumptive:
    - where water forms part of the product;
    - irrigation;
    - dust suppression;
    - watering livestock.

If a single licence authorises multiple abstractions, then the total volume returned directly to the water environment should be expressed as a percentage of the total volume abstracted.

**Table 15** Loss factor – bands and factors

Band		Factor
1	Non consumptive (>95% of the abstraction returned)	0.3
2	Partially consumptive (10–95% of the abstraction returned)	1.0
3	Consumptive (<10% of the abstraction returned)	1.1

### Length affected factor (Le)

This factor is associated with the environmental impact of an abstraction. Charges will be determined by the distance between the abstraction point and where the water is returned (Table 16).

The factors for the different bands recognise that SEPA puts more resources into regulating and monitoring abstractions that cause environmental harm. However, these factors also provide an incentive to minimise the distance between abstraction and return, thus reducing the risks of environmental harm.

For rivers, this factor is calculated from the distance along the river bank between the abstraction and the point of return to the river.

Where an abstraction is taken from a river and returned to an estuary or coastal waters, the length is calculated from the distance along the river from the abstraction point to the tidal limit.

For groundwater, this factor is calculated from the distance in a straight line from the abstraction point to the point at which the water is returned to the water environment.

Band 1 will apply for abstractions where the water is abstracted from, and returned to, the sea, estuaries or a single freshwater or sea loch.

If a single licence authorises multiple abstractions that affect different river stretches, then the band that will be used is the one with the highest factor that applies to at least 25% of the total abstraction or 40 ML/day.

Similarly, if a single abstraction is returned to the watercourse at several locations, then the band that will be used is the one with the highest factor that applies to at least 25% of the total abstraction or 40 ML/day.

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For example, for public drinking water abstractions, the length affected will typically be determined by the discharge point of the sewage treatment works and not the overflows at the water treatment works.

The examples below indicate the types of use that will fall into two of the categories.

- **Band 1** – where the abstracted water is returned to the water environment within 500 m. Unless demonstrated otherwise<sup>4</sup>, the following activity will be considered to fall into this band:
  - land-based tank fish farms.
- **Band 4** – where the abstracted water is either not returned or returned to the water environment more than 5 km downstream from the point of abstraction. Unless demonstrated otherwise on a site-specific basis<sup>6</sup>, the following activities will be considered to fall into this band:
  - consumptive use of water (eg irrigation);
  - public drinking water abstraction;
  - hydropower schemes (>5 MW).

**Table 16** Length affected factor – bands and factors

Band		Factor
1	Returned <500 m from abstraction	0.2
2	Returned 500 m to <1 km from abstraction	0.9
3	Returned 1 km to 5 km from abstraction	1.3
4	Returned >5 km from abstraction	1.9

### Seasonality factor (Se)

An abstraction poses a lower risk of harming the water environment if it occurs only in winter. This factor provides an incentive for abstractors to abstract water during the winter (Table 17).

Reductions for seasonal use will be applied only if the use is constrained by conditions of the licence to specific periods of the year.

The period of water abstraction will be used to determine into which band a particular site or scheme will fall. SEPA will not accept separate applications for winter and summer seasonal licences for a single abstraction that operates all year.

The examples below indicate the types of use that will fall into two of the categories.

- **Band 1** - abstraction during winter only. Unless demonstrated otherwise<sup>6</sup>, the following activities will be considered to fall into this band:
  - abstractions to isolated ponds or off-line impoundments that are filled during the winter. The pond/impoundment should store at least 75% of the water required during the summer.
  - Abstractions from constructed isolated ponds or off-line impoundments that are filled by land drainage/groundwater seepage.

<sup>4</sup> The demonstration must prove that the criteria do not apply at a site-specific level. SEPA will not accept generic assessments across sectors or collection of sites.

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- **Band 2** - abstraction during summer only. Unless demonstrated otherwise<sup>6</sup>, the following activity will be considered to fall into this band:
  - abstractions from rivers for irrigation.

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**Table 17** Seasonality factor – bands and factors

Band		Factor
1	Winter only (1 October to 31 March)	0.1
2	Summer only (1 April to 31 October)	0.3
3	All year	1.00

## Source type factor (So)

This factor is related to the source of water being abstracted.

Coastal waters and estuaries are typically less affected by abstractions. Abstractions from coastal and estuarine waters will typically be registered and will not be charged a subsistence fee. If SEPA considers that such an abstraction is causing an environmental impact, then the activity will be licensed and a Band 1 charge will apply.

If a single licence authorises multiple abstractions from different types of source, then the band that will be used is the highest one that applies to at least 25% of the total abstraction or 40 ML/day. For example, if half the total amount of water that is abstracted is taken from an estuary and the other half from a river, then the charge for the licence will be based on Band 2.

**Table 18** Source type factor – bands and factors

Band		Factor
1	Coastal and estuary	0.17
2	Inland water (rivers, lochs, wetlands and groundwater)	1.00

## Proportion of flow factor (Pa)

This factor reflects the proportion of the natural flow abstracted. This is closely associated with the environmental risk posed by an abstraction from a river. Table 19 shows the bands and factors to be used.

SEPA will use a river flow model<sup>5</sup> to determine an estimate of the natural 95th percentile flow. This is the river daily rate of flow which is exceeded 95% of the time.

If a single licence authorises multiple abstractions from the same river stretch, then the total daily volume abstracted should be compared with the 95th percentile river flow at the abstraction point furthest downstream.

If a licence authorises a number of abstractions from different rivers, then SEPA will calculate the proportion of flow abstracted for each river stretch and allocate this to a band. The band with the highest factor which applies to either more than 25% of the total authorised abstraction or more than 40 ML/day will be used to calculate charges.

The example below indicates the types of use that will fall into one of the categories.

- **Band 3** – where less than 10% of the river volume is abstracted. Unless demonstrated otherwise<sup>6</sup>, the following activities will be considered to fall into this band:

<sup>5</sup> Low Flows 2000 ([www.ceh.ac.uk/products/software/CEHSoftware-LOWFLOWS2000.htm](http://www.ceh.ac.uk/products/software/CEHSoftware-LOWFLOWS2000.htm)).



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- all abstractions from estuaries together with all abstractions from coastal waters and lochs where the water is returned to the same estuary/loch.
  - i) Where the abstraction from a loch is not returned to the loch, the Proportion of flow factor will be calculated as a proportion of the outflow.
  - ii) Where the abstraction from an estuary is not returned to the estuary, the Proportion of flow factor will be calculated as a proportion of the freshwater inflow to the estuary.
- all abstractions that are fed by seepage, groundwater or land-drainage from (1) isolated ponds constructed for the purpose of collecting water or (2) off-line impoundments.
- all abstractions from groundwater.

**Table 19** Proportion of flow factor – bands and factors

Band		Factor
1	>50% of the natural 95th percentile flow abstracted	1.05
2	10–50% of the natural 95th percentile flow abstracted	1.00
3	<10% of the natural 95th percentile flow abstracted	0.95

### Number of abstractions factor (Na)

The total number of abstractions will be used to determine which band a particular site or scheme will fall into (Table 20). SEPA will not include abstractions which individually would be covered by registrations to calculate the total number of abstractions.

Efficiencies will result where there are multiple activities covered by a single licence. For these efficiencies to be delivered, however, the activities must be 'associated'. SEPA will not be able to deliver efficiencies if the activities are widely spread geographically and are not part of a single scheme. To reflect this, SEPA will not permit widely spread activities under a single licence.

Multiple associated abstractions will be covered by a single licence if they are operated as a single scheme. This is likely to be the case if the abstractions are:

- linked by a common pipe or distribution network and feed, for example, a single factory, treatment works or power station;
- listed in the schedule of a mobile plant licence(eg an irrigation pump).

Efficiency reductions have been estimated for multiple abstractions and have been expressed as an additional band for abstractions (Na). The result is a substantial cost reduction compared with charges set on the basis of individual activities. Charges increase only approximately 10-fold where there are more than 100 abstractions. This delivers efficiency reductions of an order of magnitude.

**Table 20** Number of abstractions factor – bands and factors

Band		Factor
1	1–5	1.00
2	6–25	2.00
3	26–100	3.60
4	>100	9.40

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### Financial factor (Fa)

The projected figures after 2008/09 (Table 21) do not include the annual increase in the retail price index (RPI), which will be added each year.

**Table 21** Projected financial factors (excluding RPI) up to 2009/10

Year	£
2008/09	1,102
2009/10	1,102

## **8 Impoundment subsistence charges**

This section describes how subsistence charges for impoundments or impoundments under construction will be calculated.

Annual subsistence charges will apply to licensed impoundments whose maximum design or authorised volume exceeds 25 megalitres.

The volume impounded means the volume retained above the lowest level of the surrounding land (i.e. the maximum volume that could escape in the event of catastrophic failure). It does not include volume within an excavation or the natural pre-impounded volume of a raised loch. This means that only impoundments covered by the Reservoirs Act 1975 will be subject to annual charges under the scheme.

The impoundment subsistence charges will be calculated for a licence and not for each individual controlled activity. This is because impoundment licences can include several impoundments managed within a single scheme. Monitoring and regulation will be undertaken at the scheme level rather than directed at each individual impoundment.

### **8.1 Subsistence charge factors**

Impoundment costs will be allocated between activities according to four factors. These factors are listed in Table 22 and described in detail below.

**Table 22** List of charging factors for impoundment control regime

	<b>Charging factor</b>	<b>Definition</b>
Vi	Volume impounded	Volume of water that may be impounded by all the structures covered by the licence (design volume)
FP	Fish pass	Presence or absence of
Ni	Number of impoundments	Number of individual impoundments covered by the authorisation
Fi	Impoundment financial	Monetary factor in £ set to ensure cost recovery
<b>Charge (£) = Vi x FP x Ni x Fi</b>		

#### **Volume impounded factor (Vi)**

In common with abstractions and discharges, impoundment charges include a scale factor.

The impounded volume will be calculated from the cumulative total volume of all Reservoir Act impoundments covered by the licence. Any reservoirs covered by the licence that are below the 25 megalitre threshold will not be included for the purposes of calculating the charge.

Subsistence charges will apply to dams under construction. Under these circumstances, the impounded volume factor will be derived from the maximum design impounded volume.

Table 23 lists the bands for this factor.

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**Table 23** Volume impounded factor – bands and factors

Band		Factor
1	>100,000 ML	10.7
2	>50,000 to 100,000 ML	8.5
3	>25,000 to 50,000 ML	6.6
4	>1,000 to 25,000 ML	4.5
5	>100 to 1,000 ML	2.5
6	>25 to 100 ML	2.2
7	0 to 25 ML	0.0

## **Fish pass factor (FP)**

This factor is intended to reflect good practice being applied where an operating fish pass is present. Table 24 lists the bands and factors.

A site will be categorised as Band 1 if it has a structure that has been, or will be, expressly designed and installed for the purpose of allowing the free passage of salmon, sea trout or other migratory fish.

- **Band 1** - where an operating fish pass is present. Unless demonstrated otherwise, the following activities will be considered to fall into this band:
  - fish pass is present at all impoundments in the scheme;
  - where no fish pass is required because there are no naturally migratory salmonids (eg because of a natural barrier).

**Table 24** Fish pass factor – bands and factors

Band		Factor
1	Operating fish pass present	0.95
2	No fish pass	1.00

## **Number of impoundments factor (Ni)**

The total number of impoundments that individually impound more than 25 megalitres will be used to determine which band a particular site or scheme will fall into. Table 25 lists the bands and factors.

Administrative efficiencies will result where there are multiple activities covered by a single licence. If they are operated as a single scheme (associated), multiple impoundments should be covered by a single licence. This is likely to be the case if they impound either the same watercourse or tributaries within the same catchment or if the impoundments are managed as part of one estate.

**Table 25** Number of impoundments factor – bands and factors

Band		Factor
1	1–2	1.00
2	3–5	1.50
3	6–10	2.10
4	>10	3.00

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### Financial factor (Fi)

The projected figures after 2008/09 (Table 26) do not include the annual increase in the retail price index (RPI), which will be added each year.

**Table 26** Projected financial factors (excluding RPI) up to 2009/10

Year	£
2008/09	873
2009/10	873

# SCOTTISH ENVIRONMENT PROTECTION AGENCY

## 9 Engineering subsistence charges

### 9.1 How to calculate subsistence charges

Subsistence charges will apply if SEPA includes the engineering work in its monitoring programme. SEPA will do this if the authorisation contains any of the following qualifying complex licence activities and if the total length of those activities exceeds the thresholds<sup>6</sup> given:

- Dredging (>1.1 km in length)
- Embankments and floodwalls (excludes set-back embankments and set-back floodwalls) (>1.2 km in length)
- Hard (grey) bank reinforcement (>2.7 km in length)
- Channel realignments (>600 m in length)
- Culverts (>550 m in length)

These lengths are based on the extent of qualifying activities likely to put a 10 km reach of river at risk of failing Water Framework Directive objectives<sup>7</sup>.

SEPA may also add engineering works to its monitoring programme if:

- The works fall below the thresholds above but still put the ecological status of a water body at risk (e.g. deteriorating from good to moderate status, moderate to poor); or
- The works are part of a larger body of work covered by multiple authorisations where the total lengths of qualifying activities exceed the thresholds given above (some large infrastructure projects may be split into several authorisations for ease of licence administration).

A single subsistence charge will be calculated per authorisation, based on the cumulative lengths of all the qualifying complex licence activities within that authorisation.

If an activity qualifies for subsistence charges, to work out the appropriate charge SEPA will calculate the total length of bed and the total length of bank affected by the qualifying activities. For channel realignments and culverts, the length of the activity will only count towards the cumulative total for the bed.

Table 27 will then be used to calculate the subsistence cost for the work and the duration it will apply. Where a body of work affects both the bed and banks e.g. floodwalls with channel dredging, only the highest subsistence fee will apply. Charges will start 12 months after initiation of the work and will continue until the activity has been completed, and for the period after completion shown in Table 27.

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<sup>6</sup> These criteria will be applied to applications determined after the date that version 15 of the guidance comes into effect.

<sup>7</sup> Risk defined using a Type C river according to: The Environment Act 1995: The Scotland River Basin District (Surface Water Typology and Environmental Standards) (Scotland) Directions 2007

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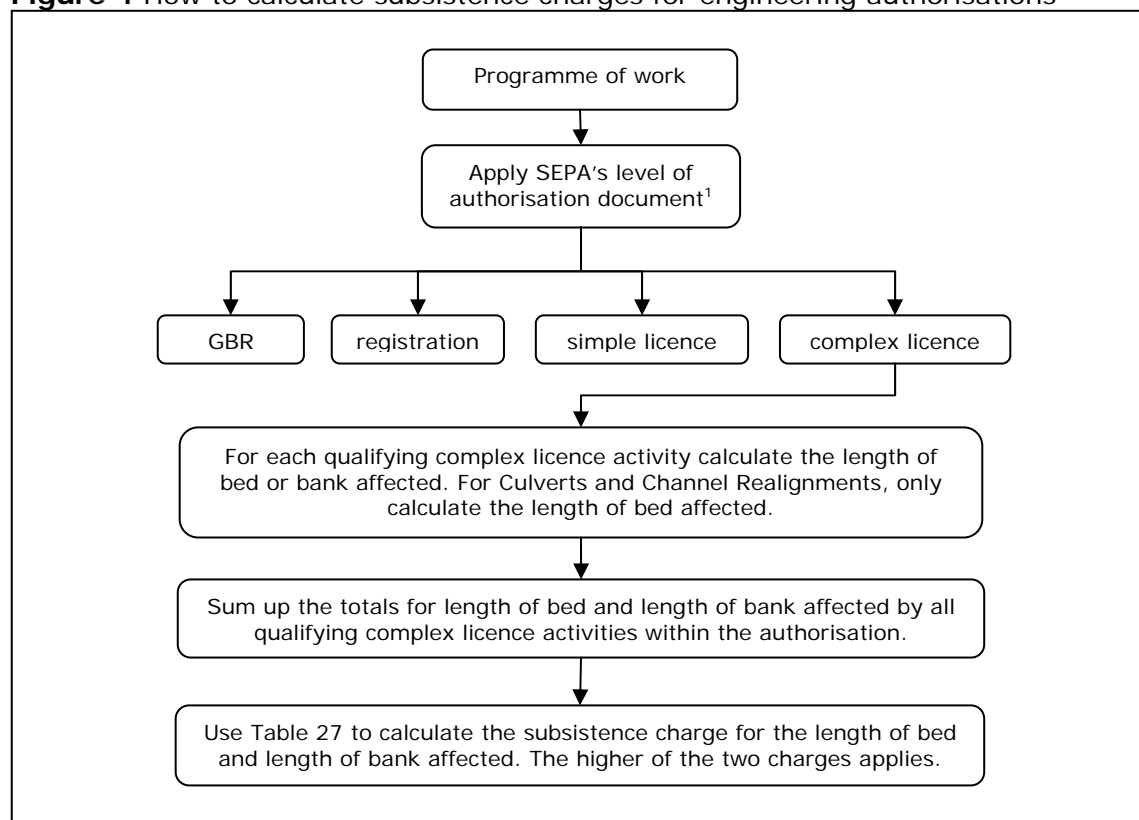
**Table 27** Annual subsistence charges for long-term, high impact engineering activities for 2007/082008/09\*

Band	Impact area	Length of works	Duration (years after completion)	Charge (£)
1	Bank	250 m to 1 km	2	2,392
2	Bank	>1 km	5	3,148
3	Bed	50 m to 250 m	2	2,197
4	Bed	250 m to 1 km	5	6,327
5	Bed	>1 km	5	7,408

\* These charges will be subject to a RPI increase each year.

The flow chart in Figure 4 further explains how to calculate subsistence charges for engineering activities.

**Figure 4** How to calculate subsistence charges for engineering authorisations



Notes:

1 The Water Environment (Controlled Activities) (Scotland) Regulations 2005 – A Practical Guide

## 9.2 When do subsistence charges apply?

Unlike pollution control and water resources activities, the engineering application fee covers all charging requirements in the first year. Consequently, the

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subsistence charge applies only in the year following the start of the engineering work.

If the activity is authorised part-way through a financial year, the subsistence fee will be charged pro rata in April of year 2. If the activity carries on beyond year 2, then the full subsistence charge per licence will be charged each subsequent year.



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## ANNEX I: Environmental service

### Introduction

Clause 6 of the Legal Scheme exempts authorisations from charges where they deliver an environmental service.

#### Definition of environmental service in the Legal Scheme (Clause 2.1)

'Environmental service' means the carrying out, operation or maintenance of any activity which is, in the view of SEPA, solely for the benefit of the environment, not being for commercial purposes or in implementation of a statutory duty. *SEPA Guidance, updated from time to time, is available via the website or on request.*

This annex provides the SEPA guidance referred to in the Legal Scheme's definition of environmental service (clause 2.1). This annex should be considered a 'supplemental provision' under clause 14.10 of the Legal Scheme.

#### Exemption from charges for environmental service

Environmental service should not be confused with mitigation measures, which are intended to reduce the impact of a controlled activity. For example, the following activities will **not** be considered as an environmental service:

- a sewage treatment works that removes pollutants so that a discharge can be made to the water environment;
- a reservoir that maintains flows in a downstream river to compensate for upstream abstractions.

There may be situations where, as part of a programme, an activity may be eligible for consideration as an environmental service. For example, if during the construction of a housing estate, a builder opens up a culvert and engineers a more natural river profile then this component of the work will be considered as an environmental service. Similarly, if a flood defence project includes the restoration of a flood plain, then the removal of flood defences will be considered as an environmental service.

If you consider that your activity meets the criteria listed in Annex I you must tick the environmental service box on the application form and provide additional justification as requested on the form. The appropriate (registration, simple or complex) application fee should be included. If the request for environmental service is accepted then the fee will be refunded.

Environmental service activities can be grouped under the following three headings:

#### 1. Abstractions associated with the control of historic causes of pollution

- Abstraction from mines that are no longer operational and where the abstraction is intended solely to control the breakout of polluted groundwater.
- Abstraction of groundwater associated with contaminated land solely for the purpose of the remediation of that contaminated land.

In both situations, there will be no application fees or subsistence charges associated with such abstractions. However, there will be application fees and

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potentially subsistence charges for the discharge element associated with the abandoned mine or the remediation of the contaminated land.

### **2. Structures and abstractions to maintain or improve the existing water environment**

- An ex-water supply reservoir that is no longer intended as a drinking water source and is maintained solely to support the ecology which has developed within the reservoir.
- A canal that is no longer used for navigation and is maintained solely to support the ecology which has developed within the canal.
- A wetland or pond, fed by an abstraction, which is intended solely to maintain or enhance the biodiversity of the water environment.

Abstractions and impoundments that are solely associated with the delivery of the environmental service will not be subject to charges.

### **3. Habitat enhancement and restoration**

This is engineering work intended to restore the environment to a more natural state or to enhance the biodiversity of the water environment or wider environment. It covers:

- the restoration of a canalised or culverted watercourse to a more natural condition;
- the removal of flood defences in order to restore a flood plain, or other such restoration measures undertaken for the purposes of sustainable flood management;
- the creation of wetlands and ponds to enhance biodiversity;
- the removal of engineering structures and other modifications from the water environment; including the removal of hard (grey) bank protection measures and subsequent restoration of a natural bank and riparian zone.

There will be no fees or charges associated with the engineering work, abstractions or impoundments associated solely with the restoration work.

This definition does not include:

- fishery improvement work that modifies an already good quality river in order to improve fishing opportunity;

### **4. Maintenance of native fish populations**

No abstraction or discharges fees or charges will apply if a fish hatchery

- is a non-commercial operation;
- only rears juvenile fish up to parr stage;
- the fish reared are returned to the same river of origin for use in restocking programmes.

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## **ANNEX II: Special cases where an activity incurs an abated charge**

Clause 14.9.1 of the Legal Scheme allows SEPA to make provisions to introduce abatements in charges.

This annex outlines the provisions introduced by SEPA to abate charges for the following strictly limited situations.

The following controlled activities will be subject to abated charges.

### **1. Correction of mistakes in transitional applications**

SEPA will undertake a variation, free of charge if a correction needs to be made to a licence or registration following a mistake by SEPA.

The following reduced fees for reviews will apply until 30 September 2009.

During 2006 and 2007, operators of abstractions and impoundments were required to apply for a CAR licence. In many cases these operators did not hold reliable information on the scale of the abstraction. With the introduction of a requirement for monitoring, SEPA expects some operators to discover that their licence does not reflect the measured levels of abstraction or the measured compensation flows from impoundments. Under these circumstances, SEPA expects operators to apply for a variation in their licence to ensure that the licence reflects operating practice.

Where the environmental impact is less than that licensed, then the variation will be undertaken without charge.

The variation will be undertaken as an administrative variation, where that actual level of abstraction is greater than that licensed **and** where the level of abstraction has not increased since 1 April 2006.

The variation will be undertaken as an administrative variation, where actual compensation flow from an impoundment is less than that licensed and where there has been no reduction in actual compensation flows since 1 April 2006.

This abatement of charge is a reflection of the fact that there has been no change in the impact upon the environment since the introduction of CAR and consequently there is no requirement for SEPA to undertake a risk assessment. The abatement of charges will not apply if SEPA consider that it will be necessary to undertake a risk assessment. Under these circumstances the review will be regarded as a technical review.

### **2. Limit in application fees for existing abstractions and impoundments**

There are still some abstractions and impoundments which are not licensed under CAR. If SEPA discovers an unlicensed abstraction or a dam SEPA may take enforcement action against the operator. However, if an operator applies to SEPA for a licence or registration then SEPA may allow an abatement in the charge.

This abatement will be given in the following circumstances:

- The operator must satisfy SEPA that the activity was in operation prior to 1 April 2006 and that they did not knowingly fail to apply for a CAR licence.
- The activity has not increased the scale of the environmental impact since 1 April 2006. For example, if the abstraction has increased in volume since 1 April 2006, the full fee will apply.

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The abatement will apply to complex licensed activities which will only pay the simple licence fee.

### **3. Temporary cessation of an abstraction or a point source discharge**

There will be no subsistence charge for the period of one year, if an operator notifies SEPA in writing between 1 December and the last day of February that no abstraction or discharge will be made over the coming year. A 'year' must be specified as either a calendar or financial year.

Note: for the purposes of 2008 **only**, an operator of a point source discharge may qualify for a cessation of charge so long as they notify SEPA in writing by the end of May 2008. In future years they must notify SEPA by the last day of February.

An operator of an abstraction ceases to be exempt from subsistence charges if they subsequently make an abstraction during the year. Under these circumstances the full subsistence charge will apply.

An operator of a discharge ceases to be exempt if they subsequently make a discharge during the year. Under these circumstances the full subsistence charge will apply.

### **Examples of exemptions from charges**

Where a farmer has decided not to grow crops that may require irrigation in a particular year, then they can notify SEPA in writing of their intention **not** to abstract water in that growing season. SEPA will then exempt the farmer from a subsistence charge that year only.

Where a fish farmer knows that a site will be fallow during a particular year then they must notify SEPA in writing of their intent not to produce fish at that site for the year. SEPA will then exempt the operator from subsistence charges that year only.

**It should be noted that the exemption from charging lasts for one year only. The operator must reapply in writing in the subsequent year if they wish to avoid charges again.**

It should be noted that this notification has serious implications, since the licence holder is explicitly renouncing the opportunity to abstract water or to discharge. Clause 14.7 of the Legal Scheme specifies that it is a condition of an authorisation that the prescribed fees and charges are paid. If an abstraction or a discharge is made following notification that there is to be no abstraction/discharge, this would be a breach of the licence and an offence under regulation 40 of CAR and appropriate enforcement action may be taken.

A further consequence of the notification is that SEPA may allow another operator to use the available environmental capacity for that year. Once the notification is made to SEPA, there is no going back. For example, it does not provide the flexibility for farmers to change their mind over what crops they will be growing or whether to irrigate or not. Therefore, if a crop is planted that **may** require irrigation, farmers should not apply for such exemption from the annual subsistence charge.

### **4. Lades**

Clause 5.4.10.2 explains how charges will be applied to lades.

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SEPA considers that the volume of water abstracted from the water environment into a lade should not be used to calculate application or subsistence charges where only part of that volume is subject to use.

However, the abstraction from the river into the lade **will** be subject to regulatory controls and will be authorised. Therefore, mitigation measures may also be required to reduce the impact of the lade abstraction.

The following examples are intended to illustrate how this rule will be applied:

- If there is a lade serving a paper mill or a distillery, then the volume subject to charge will be that which is abstracted from the lade for cooling, process water or other purposes.
- If there is a lade serving a fish farm, then the volume subject to charge will be the volume used by the fish farm processes. If the full volume of the lade is used by the process, then the lade volume will be used to calculate the charge.
- If there is a lade serving a canal, then the volume subject to charge is that which passes into the canal.
- If there is a lade providing water for hydropower, then the volume subject to charge is that which passes through the turbine.
- SEPA will not impose subsistence charges for a lade used only to power a water wheel which is not used for the generation of electricity.

### 5. Sustainable energy generation

SEPA recognises the importance of promoting the development of renewable energy generation as a contribution to reducing global warming. It is important that our charging scheme does not act as a disincentive for small-scale energy generation.

#### Hydropower

SEPA will offer reduced fees for schemes below defined installed generating capacity thresholds. However, the generating capacity will be calculated at the scheme level and not on the basis of **individual** components of a scheme.

#### Application fees

Small hydropower schemes primarily serving domestic properties or small communities and installed generating capacity less than 100 kW of power will be subject to a simple licence application fee.

New schemes with installed generating capacity more than 100 kW will be subject to the normal application fees.

#### Subsistence charges

Small hydropower schemes with installed generating capacity less than 2 MW will be exempt from subsistence charges.

Hydropower schemes with installed generating capacity between 2 MW and less than 5 MW will be subject to a single flat subsistence charge of £1,060 per year for each abstractions and £1,060 per year for each impoundments within the scheme.

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Hydropower schemes with installed generating capacity 5 MW or more will be subject to the normal subsistence charges.

### **Thermal heat pumps**

There will be no subsistence application or discharge charge where a heat pump extracts water (either surface water or groundwater) and then returns it immediately adjacent to the abstraction. A registration application charge will apply to both the abstraction and impoundment.

### **6. Borehole construction and test pumping**

Under CAR, the construction of a well or borehole for the purpose of abstraction, whether permanent or temporary, must be authorised. In addition, when groundwater resources are being investigated, it may be necessary to undertake a temporary abstraction in the form of a test pumping in order to assess the available resources or to determine potential environmental impacts. The construction of boreholes or wells and their test pumping must be authorised.

For registrations, no application is needed for authorisation to drill and test pump a borehole provided the volume abstracted during testing does not exceed 150m<sup>3</sup>, as this would be covered by GBR. Application for authorisation of any subsequent abstraction will attract the appropriate registration fee. For applications to drill and test pump a borehole where the volume abstracted during test pumping will exceed 150m<sup>3</sup> (typically where the eventual abstraction will exceed 50m<sup>3</sup>/day) a fee equivalent to registration is payable for applications. The appropriate fee is payable for any subsequent application for abstraction from that borehole.

There will be no charge for borehole construction/test pumping for an abstraction which would be covered by a registration. Construction and testing of boreholes requiring a licence will be subject only to a registration fee.

Full subsistence charges apply when the abstraction is in operation

### **7. Flood defence**

The construction of flood defence works will be liable to engineering charges.

Where flood water is diverted from the river channel (for example into off-line flood storage or a flood relief channel) this will represent an abstraction and will be authorised. SEPA will not impose a subsistence charge for such abstractions.

Some flood relief schemes will involve the construction of on-line flood storage reservoirs. These will not hold back the flow of water under normal circumstances, however, during a flood event the water will back up behind the structure. Such flood storage impoundments will be liable to an application fee covering all activities captured by CAR (in particular, engineering and impoundment); however, they will not be liable for impoundment subsistence charges [following completion of the construction work].

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## 8. Commercial/amenity use of reservoirs

The following water uses will not be liable for impoundment subsistence charges as long as they do not manage the flow from the dam in order to support the maintenance of the activity:

- cage fish farms;
- amenity uses such as fishing and sailing.

SEPA will not impose subsistence charges for abstractions solely to fill or maintain any off-line pond or reservoir that may have amenity uses (eg fishing and sailing).

## 9. Use of impoundments to support fish migration

No application fees will apply for impoundments where:

- they are less than the Reservoir act 25 megalitres threshold;
- they were constructed prior to 1 April 2006;
- are solely used to support fish migration.

This exemption will not apply if the impoundment has been constructed as part of a mitigation measure introduced as a result of a wider water resource scheme.

## 10. Engineering activities

### Planning permission

For engineering activities that obtained planning permission before 1 April 2006 but where planned work will start after that date, there will be limited additional requirement for pre-submission discussions or a risk assessment.

Operators will, however, be required to apply for a CAR authorisation. In these cases, simple licence application charges will be reduced to a registration fee and complex licence application charges will be reduced by 45%. Subsistence charges will not be affected.

### Outfalls and abstraction points

Separate applications (and associated application and subsistence charges) will not be required for engineering activities associated with the construction of an outfall or abstraction point. The costs of assessing these activities will be covered within the point source discharge or abstraction authorisation.

### Removal of structures

Removal of structures will not attract any charges. However, the activity will still require to be authorised under the relevant activity category in accordance with the levels of authorisation table.

### Dependent engineering activities

Where in the opinion of SEPA, an engineering activity is undertaken to ensure the structural integrity/functioning of an associated controlled activity (eg bed reinforcement designed to protect a new bridge from scour) the length of that activity which is required for the integrity/functioning of the main activity will not be subject to charges. The dependent activity will still be subject to authorisation to ensure good practice. This rule will only apply to the following types of activities:

Main activity	Dependent activities
Discharge or abstraction	Outfall or intake construction, including: Bank re-profiling Bank reinforcement

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	Bed reinforcement
Bridge or bridging culvert	Bank re-profiling Bank reinforcement Bed reinforcement
Pipeline/cable crossings	Bank re-profiling Bank reinforcement Bed reinforcement
Channel realignment	Green bank reinforcement

### **Modification or replacement of a complex licence level structure**

Where a structure that falls within a complex licence category in *The CAR Practical Guide* is being replaced, or modified to an extent that requires authorisation (ie does not fall within the definition of 'maintenance' within the Practical Guide), then a simple licence application fee will apply.



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## ANNEX III: Charging for multiple discharges

This annex explains how subsistence charges will be applied to sites with multiple discharges.

### Defining a chargeable discharge for point source discharges

Where multiple discharges are identified separately on a licence or appear on separate licences, then each will be subject to an annual charge, according to the following scenarios.

The key below applies to all the diagrams in this annex:

#### Key

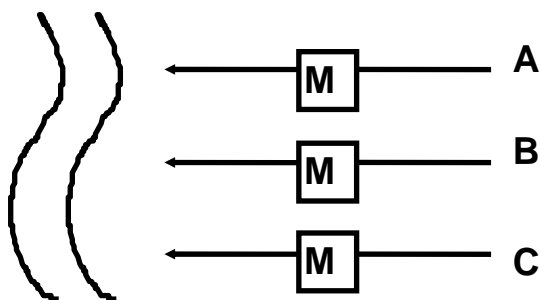
This symbol denotes the monitoring location



A, B and C denotes different effluent types.

### Scenario 1

Sites with multiple discharges of different effluents receiving different treatment, with separate outlets including sewage treatment works and industrial sites, will be subject to separate annual charges for each discharge (see diagram below).

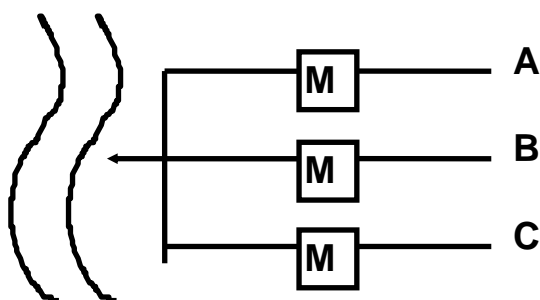


### Example

A separate charge will be applied to the treated final effluent, the partially treated storm tank effluent and the untreated storm sewage overflow from a sewage treatment works.

### Scenario 2

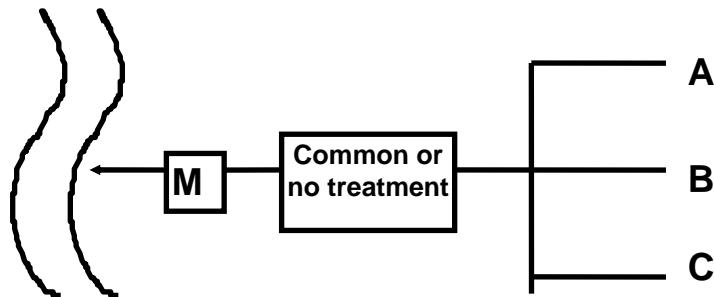
Sites with multiple discharges of different effluents receiving different treatment, but combining at one outlet, will be subject to separate charges for each discharge in instances where SEPA monitors each discharge separately (see diagram below).



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### Scenario 3

If multiple effluents receive common treatment, no treatment or treatment such that it is not necessary for the effluents to be back-sampled separately and monitoring takes place at a single point, only one charge will apply (see diagram below).

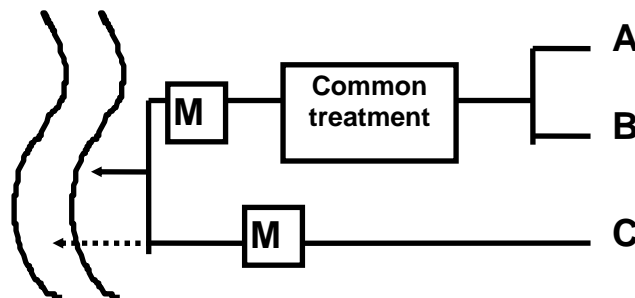


#### General rule:

Where Scenario 3 applies to multiple discharges, then the Volume factor is determined by aggregating the volume of each discharge.

### Scenario 4

If an effluent recombines with a treated effluent but the two effluent streams are monitored separately, then they will be treated as two separate discharges and each will incur a charge; similarly if it does not recombine (see diagram below).



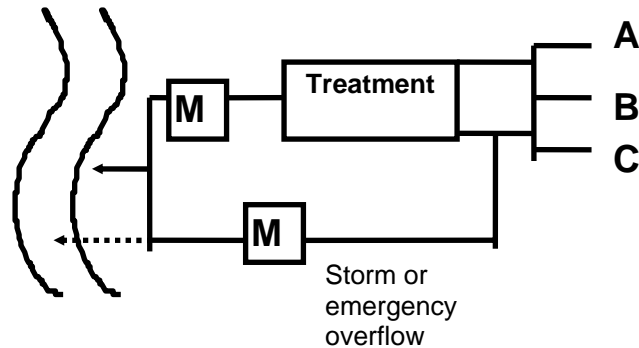
#### General rule

Where Scenario 4 applies, the Volume factor for each payable charge uses the total volume that passes each monitoring point i.e. a Volume factor based on the total volume of effluent streams A and B, and a separate Volume factor based on the volume of effluent stream C shown in Scenario 4.

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### Scenario 5

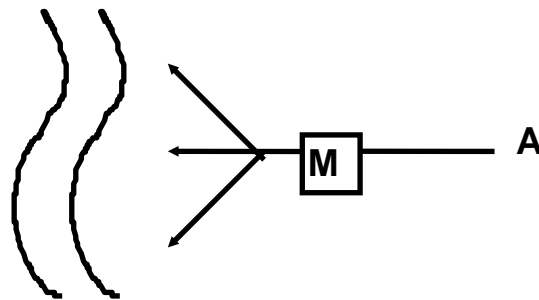
If an emergency or storm overflow by-passes a treatment system, it will be considered as a separate discharge and will be charged in addition to other discharges (see diagram below).



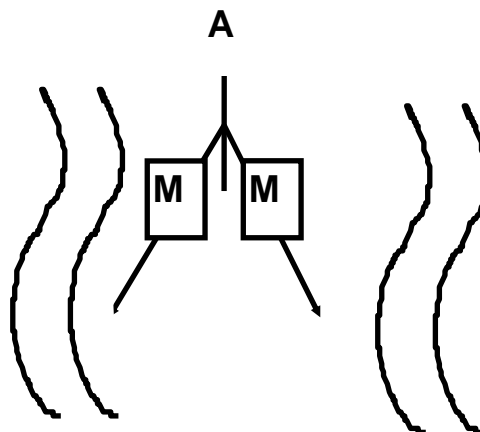
### Scenario 6

Sites that discharge one effluent stream from multiple outlets will be charged as follows:

- 6a) If the discharge is to one receiving water, there will be one charge (see diagram below).



- 6b) If the discharge is to more than one receiving water, then a charge will be made for the discharge to each receiving water. A discharge via a partial soakaway outfall in which an unknown proportion of the volume will discharge into land for part of the year will be treated as a single discharge to inland, coastal or relevant territorial waters.

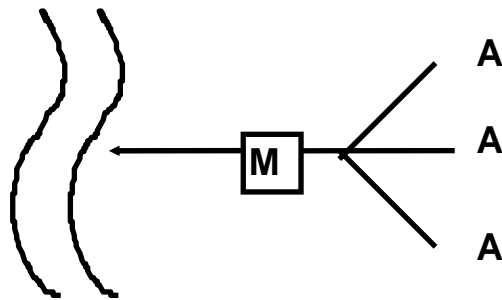


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### Scenario 7

Where several effluent streams of the same nature combine, are monitored together and then discharged together, then a single charge shall apply.

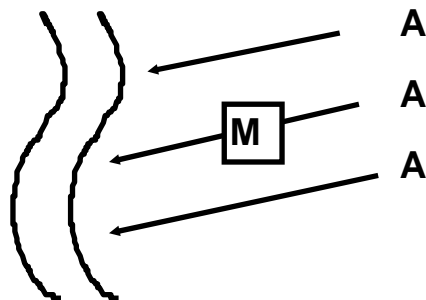
Where separate licences permit the discharge of a number of effluents via a single outlet but these effluents are monitored separately at agreed sampling points, Scenario 2 will apply and each effluent will incur a separate charge (see diagram below).



### Scenario 8

A site that discharges several similar effluents from multiple outlets receiving no treatment will count as one discharge where the monitoring of one effluent is the means by which all the effluents are monitored (see diagram below). This is irrespective of whether the effluents or outlets are licensed individually or jointly. For charging purposes, there will be no upper limit on the number of effluent streams that may be counted as one discharge in accordance with Scenario 8.

Where different treatment is provided or different licence conditions apply, or it is fully justifiable that separate monitoring is required, the effluents are no longer common and should be dealt with accordingly.



#### General rule:

Where Scenario 8 applies, the Volume factor will be determined by aggregating the volumes of the effluent streams.

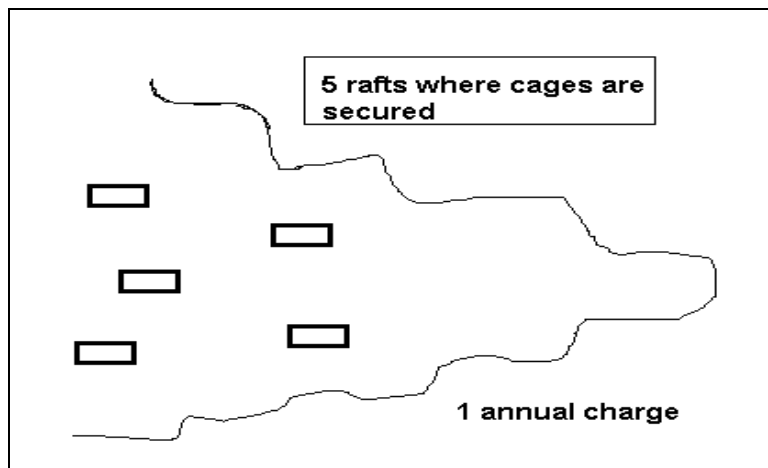
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## Multiple sites for cage fish farms

The conditions stated in an authorisation may allow the biomass of fish to be grown at a number of rafts within one site. A discharge can be made from each of the rafts of cages, but the total biomass of the farm will be restricted by licence conditions. This will result in one annual charge per stated biomass.

### Example

A licence has a biomass limit of 200 tonnes and lists the position of five rafts within a defined area where cages are secured. In this case, the five rafts are covered by a single licence and there will be one annual charge based on the 200 tonnes biomass limit.



Where a licence states two or more biomass limits, referring to separate sites where rafts of cages may be secured, then these are separate sites and a charge will apply to each biomass limit given in the licence.

### Example

A licence refers to a 100-tonne biomass limit at location A and a second 100-tonne biomass at location B. In this instance two annual charges would apply, each based on the 100 tonnes biomass limit.

