Anne Baird, Senior Admin. Officer, Water/Land Units + WFD Programme, SEPA Corporate Office, Erskine Court, The Castle Business Park, Stirling, FK9 4TR.



19 July, 2005.

Dear Anne,

Water Environment and Water Services Act 2003, Abstraction and Impoundment Charging Scheme

Further to your e-mail of 30 June, thank you for the opportunity to comment on the Water Environment and Water Services Act 2003, Abstraction and Impoundment Charging Scheme. I apologise that this response is a day late - however, I have just returned from annual leave and I hope you will still find it of value.

The Freshwater Taskforce of the Scottish Environment LINK congratulates SEPA on their approach to stakeholder engagement. The Regulatory Stakeholder Forum gives an opportunity for all interested parties to provide input into the development of the charging scheme. We would like to emphasise that similar approach should be taken to all areas of work on WFD implementation. The Freshwater Taskforce supports the principles of charging as outlined in the consultation document, and our main comments are written below:

- We strongly support the introduction of a charging scheme that enables SEPA to recover the costs of its operations. The Water Framework Directive requires the operator to bear charges for both environmental and resource costs of water-related activity, which includes mitigation, restoration and administration.
- The Freshwater Taskforce welcomes and strongly supports SEPA's proposals for the charging scheme for abstractions and impoundment being applied to whole licences and not to individual activities. This proposed 'bundling' of associated activities will reduce costs and unnecessary regulatory burden.

## Letter

- The Directive requires charging policies to 'provide adequate incentives for users to use water resource efficiently...'. Volumetric charging will provide this incentive and should be applied universally. We believe the charging for abstraction and impoundment licences should be based on the volume of water abstracted, with modification factors applied to the costs that reflect timing of abstraction, environmental sensitivity, level of water loss, and use of water. The proposed charging scheme reflects this way of thinking, and we therefore give SEPA our full support on this matter.
- There should only be a minimal charge attached to abstractions that are judged to be delivering biodiversity action plan targets/commitments, and environmental objectives. In pursuit of the delivery of biodiversity planning for wetlands and wetland species, many conservation NGOs carry out management activities that may require licencing. This water use is required to deliver Government's targets and commitments, and therefore the cost of licencing should be minimal. Conservation management activities often deliver wider objectives, and provide 'environmental service'.
- According to current proposals, the operator will only face minimal charge for the issue of authorisation where that activity has a low impact on the water environment. The regime therefore reflects a risk based approach, which must be built into the heart of the WFD charging regime. This system will also encourage low impact water activities, and give industry an incentive to operate in a sustainable and environmentally aware manner.

If you require any further information about this submission, please do not hesitate to contact me.

Yours sincerely

Lloyd Austin Chair



