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1 Objective

This consultation sets out the proposed charges for operators of schemes covered by the Waste Electrical and Electronic Equipment (WEEE) Regulations 2013 (and amendments) which will apply from 1st October 2019 onwards for the compliance periods beginning 2020.

2 Background

Each environment agency has a charging scheme which recovers the costs of administrating and regulating industry covered by the WEEE regulations. Early in 2018 the Environment Agency (EA) increased their charges for operators of WEEE schemes approved by the EA as well as their scheme members. This resulted in the different charges for regulated industry in the different jurisdictions (i.e. broadly higher fees in England compared to Northern Ireland, Scotland and Wales).

Subsequent to the EA charging scheme, the Waste Electrical and Electronic Equipment (Amendment) (No. 2) Regulations 2018 (SI 2018 No 1214), which came into force on 1st January 2019, have included amendments to the charging provisions in regulation 59. They introduce a charging system which is based on a producer's registered office, or where this is not available, the producer's principle place of business. This is to cover the costs the EA have when regulating these companies in England.

The new amending legislation has transitional arrangements to allow the EA to charge the difference between the SEPA and EA charges directly to SEPA approved schemes for their English based members in 2019.

The proposals contained in this consultation will come into effect for charges in the 2020 compliance period and will take over from the transitional arrangements.

3 Proposed Changes

The proposed changes in charging is that for WEEE compliance scheme members who are registered or otherwise have their principal place of business in:

1. Scotland to pay fees in accordance with a SEPA charging scheme.
2. Wales to pay fees in accordance with the Natural Resources Wales charging scheme
3. England or outside of the UK to pay fees in accordance with the Environment Agency charging scheme.

In practice for members of SEPA approved compliance schemes this means that any English (or outside of the UK) based producers will pay the EA fee, and this is the case for

Welsh based producers will pay the charges set by Natural Resources Body for Wales and for Northern Ireland Environment Agency charges for Northern Ireland based producers. Currently the Environment Agency charges are generally higher than SEPA charges, therefore once the SEPA approved scheme pays its fees to SEPA. SEPA will pass on the difference between our charges and the EA's to the EA.

The following table 1 summaries the differences in charges. This is just subsistence charges. Application charges will stay the same.

Table 3-1: Current and Proposed Changes in Charging

Current Charges	Charges for Compliance Period 2020 Onwards	
<p>SEPA's Current Charges Applying for all WEEE operators and scheme members who are registered for a WEEE Scheme in Scotland for 2017 Scheme.</p> <p>The sum of:</p>	Proposed SEPA Charges	
	<p>WEEE scheme members who are registered or have their principal place of business in Scotland, Wales and Northern Ireland.</p> <p>The sum of:</p>	<p>WEEE scheme members who are registered or have their principal place of business in England or outside UK (based on EA charges link).¹</p> <p>The sum of:</p>
<p>(a) £30 for each scheme member who is not, and is not required to be, registered under the Value Added Tax Act 1994;</p>	<p>£30 for each scheme member who is not, and is not required to be, registered under the Value Added Tax Act 1994;</p>	<p>£100 for each member of a scheme who is not a small producer and is not registered for Value Added Tax;</p> <p>£100 for each member of a scheme who is established outside the United Kingdom, is not a small producer and is not or is not required to be registered under the Value Added Tax Act 1994</p>
<p>(b) £30 for each small producer</p>	<p>£30 for each small producer</p>	<p>£30 for each producer putting less than 5 tonnes of EEE on the market each year.</p>

¹ Whilst we have tried to reflect the information of the EA scheme accurately there may be some differences. For the actual charges please refer to the EA scheme.

Current Charges	Charges for Compliance Period 2020 Onwards	
<p>SEPA's Current Charges Applying for all WEEE operators and scheme members who are registered for a WEEE Scheme in Scotland for 2017 Scheme.</p> <p>The sum of:</p>	Proposed SEPA Charges	
<p>(c) £210 for each scheme member who is, or is required to be, registered under the Value Added Tax Act 1994 and who had a total turnover of £1 million or less in the last financial year;</p>	<p>WEEE scheme members who are registered or have their principal place of business in Scotland, Wales and Northern Ireland.</p> <p>The sum of:</p> <p>£210 for each scheme member who is, or is required to be, registered under the Value Added Tax Act 1994 and who had a total turnover of £1 million or less in the last financial year;</p>	<p>WEEE scheme members who are registered or have their principal place of business in England or outside UK (based on EA charges link).¹</p> <p>The sum of:</p> <p>£375 for each member of a scheme who is established outside the United Kingdom, is not a small producer and is or is required to be registered under the Value Added Tax Act 1994, or £750 for every other scheme member.</p>
<p>(d) £445 for each scheme member who had a total turnover of more than £1 million in the last financial year:</p>	<p>£445 for each scheme member who had a total turnover of more than £1 million in the last financial year.</p>	<p>£375 for each member of a scheme who is established outside the United Kingdom, is not a small producer and is or is required to be registered under the Value Added Tax Act 1994, or £750 for every other scheme member.</p>
<p>£445 for each scheme member not covered by a) to d)</p>	<p>£445 for each scheme member the default if no other category applies.</p>	<p>£750 for each scheme member the default if no other category applies.</p>

3.1 Examples

To help you understand what this means we have set out two scenarios:

1. Table 3-2: Scheme Members - based only in Scotland/Wales/Northern Ireland,
2. Table 3-3: Scheme Members - mixed between Scotland/Wales/Northern Ireland and England/Outside UK.

Table 3-2: WEEE Scheme Members - based only in Scotland/Wales/Northern Ireland. Scheme registered with SEPA.

Description of Scheme Member	WEEE scheme members who are registered or have their principal place of business in:	Number of Members by Category	Current		New	
			Cost / member / operator	Total Charge	Cost / member / operator	Total Charge
scheme member who had a total turnover of more than £1 million in the last financial year	Scotland, Wales or Northern Ireland	136	£ 445.00	£60,520.00	£ 445.00	£ 60,520.00
	outside UK		£ 445.00		£ 375.00	£ -
	England		£ 445.00		£ 750.00	£ -
scheme member who is, or is required to be, registered under the Value Added Tax Act 1994 and who had a total turnover of £1 million or less in the last financial year;	Scotland, Wales or Northern Ireland	6	£ 210.00	£ 1,260.00	£ 210.00	£ 1,260.00
	outside UK		£ 210.00		£ 375.00	£ -
	England		£ 210.00		£ 750.00	£ -
large producers registered in who is not VAT registered and not required to be VAT registered	Scotland, Wales or Northern Ireland	68	£ 30.00	£ 2,040.00	£ 30.00	£ 2,040.00
	England or outside UK		£ 30.00		£ 100.00	£ -
Operator of the scheme	Scotland, Wales or Northern Ireland					
Grand Total		208		£63,820.00		£ 63,820.00

Table 3-3: WEEE Scheme Members - mixed between Scotland/Wales/Northern Ireland and England/Outside UK. Scheme registered with SEPA.

Description of Scheme Member	WEEE scheme members who are registered or have their principal place of business in:	Number of Members by Category	Current		New	
			Cost / member / operator	Total Charge	Cost / member / operator	Total Charge
scheme member who had a total turnover of more than £1 million in the last financial year (for calculation assumed to be registered to pay VAT)	Scotland, Wales or Northern Ireland	100	£ 445.00	£44,500.00	£ 445.00	£ 44,500.00
	outside UK	18	£ 445.00	£ 8,010.00	£ 375.00	£ 6,750.00
	England	18	£ 445.00	£ 8,010.00	£ 750.00	£ 13,500.00
scheme member who is, or is required to be, registered under the Value Added Tax Act 1994 and who had a total turnover of £1 million or less in the last financial year;	Scotland, Wales or Northern Ireland	2	£ 210.00	£ 420.00	£ 210.00	£ 420.00
	outside UK	2	£ 210.00	£ 420.00	£ 375.00	£ 750.00
	England	2	£ 210.00	£ 420.00	£ 750.00	£ 1,500.00
large producers registered in who is not VAT registered and not required to be VAT registered	Scotland, Wales or Northern Ireland	34	£ 30.00	£ 1,020.00	£ 30.00	£ 1,020.00
	England or outside UK	34	£ 30.00	£ 1,020.00	£ 100.00	£ 3,400.00
Operator of the scheme	Scotland, Wales or Northern Ireland					
Grand Total		208		£63,820.00		£ 71,840.00

4 Questions

The following questions are to get your thoughts on what we propose doing. To be clear for sites registered or with their **principal place of business in Scotland, Wales or Northern Ireland** there is no change.

The change only affects scheme members who are registered or have their **principal place of business outside of Scotland, Wales or Northern Ireland**.

A separate form is provided and should be completed and sent to SEPA.

Question 1) Do you have any comments on the proposed changes for operators and scheme members when their principal place of business is outside of Scotland, Wales or Northern Ireland?

Question 2) We have not increased our WEEE for several years, we expect that we will have to increase in the next few years to keep in line with inflation, do you have any comments on this?