

# Consultation on proposals to introduce a charging scheme under the Reservoirs (Scotland) Act 2011 and the Reservoirs (Scotland) Regulations 2015

**Date:** May 2015

**Published by:**  
Scottish Environment Protection Agency  
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**Proposed charging scheme for reservoir safety**

**Contents**

1. *Introduction*..... 3

    1.1 Foreword ..... 3

    1.2 Purpose ..... 4

    1.3 Charges approval process ..... 4

    1.4 How to respond ..... 4

2 *Background* ..... 5

3 *Proposed charging scheme* ..... 7

    3.1 Registration fee ..... 8

    3.2 Annual subsistence fee ..... 9

    3.3 Notification ('cessation' and 'new manager') fees ..... 10

    3.4 Application fee for review of risk designation given to a reservoir by SEPA (charged under section 23 of the Reservoirs (Scotland) Act 2011) ..... 11

    3.5 Summary of proposed charges ..... 12

4 *Payment details*..... 12

5 *Estimated financial impact* ..... 13

6 *Annex 1 Respondent information form* ..... 15

7 *Annex 2 – Breakdown of main regulatory tasks, times and associated costs* ..... 17



## 1. Introduction

### 1.1 Foreword

When fully implemented, the Reservoirs (Scotland) Act 2011 ('the 2011 Act') will transfer responsibility for the regulation of reservoir safety in Scotland from the existing 32 Scottish local authorities to the Scottish Environment Protection Agency (SEPA).

Historically, reservoir safety regulation in Scotland has been carried out by local authorities via the Reservoirs Act 1975 ('the 1975 Act'). The transfer of reservoir duties from local authorities to SEPA, and the new work associated with the new risk framework, places additional costs on SEPA. SEPA is required to fully recover the costs of carrying out its regulatory duties through charging.

Some key differences to be introduced via the 2011 Act are summarised as follows:

- When fully implemented, it will result in a lowering of the registration threshold to 10,000 cubic metres capacity above the natural level of the surrounding land;
- SEPA will be the sole regulator, therefore there will be one regulatory body and point of contact for reservoir safety in Scotland;
- A new requirement to produce maps showing the area of land likely to be flooded in the event of an uncontrolled release of water from a reservoir;
- A requirement for all controlled reservoirs to be registered with SEPA and for SEPA to make the register of controlled reservoirs available for public inspection;
- A much wider range of information than at present will need to be submitted to SEPA and made available on the public register of reservoirs;
- The new legislation is risk based and all registered reservoirs will be designated by SEPA as either high, medium or low risk.
- SEPA is required to produce and publish a number of guidance documents to support reservoir managers

The risk methodology has been developed in conjunction with industry experts and considers the potential adverse consequences of an uncontrolled release of water from the reservoir. Essentially, risk designation involves assessing the impact of reservoir flooding (using modelled inundation maps) against a number of different downstream receptors.

The 2011 Act is an example of proportionate regulation according to risk with high risk sites receiving the greatest amount of attention whilst low risk sites receive the least. This is reflected in the proposed charging scheme as medium risk reservoirs and low risk reservoirs benefit from a lower level of regulatory burden compared to high risk reservoirs.

The 2011 Act gives Scottish Ministers the power to make provisions for SEPA to recover the direct regulatory and administrative costs of carrying out its duties under the 2011 Act. The costs that will be recovered from fees and charges have been specified by Ministers through the Reservoirs (Scotland) Regulations 2015.

During the period 1 April to 30 September 2015 all existing large raised reservoirs (i.e. reservoirs or structures greater than 25,000 cubic metres capacity) which are currently regulated under the Reservoirs Act 1975 can be registered free of charge. Any existing reservoir in this category not registered within this 6 month free period or any new reservoir capable of holding more than 25,000 cubic metres of water which is created after 30 September 2015 will be charged the appropriate fee to register with SEPA as detailed in this charging scheme. During a later phase (date to be announced by the Scottish Government) the threshold for reservoir registration will fall to 10,000 cubic metres.

## 1.2 Purpose

The purpose of this consultation is to seek your views on SEPA's proposed new charging scheme for reservoir safety which is planned to be introduced on 1 October 2015. Feedback is invited on the proposed level of registration fee (outwith the initial 6 month free registration period), annual subsistence and other charges. (Please note that annual subsistence charges will not be commenced until 1 April 2016).

This consultation on the proposed reservoirs charging scheme is separate and additional to SEPA's planned consultation on a new regulatory charging scheme being introduced as part of the [Better Environmental Regulation Programme](#).

The latter consultation focuses on SEPA's main regulatory regimes covering air emissions, water, waste and radioactive substances but not reservoir safety which will be covered separately by the reservoirs charging scheme. The separation of the charging schemes is necessary as the regulation of reservoir safety is concerned primarily with the protection of people from the effects of flooding caused by an uncontrolled release of water from a reservoir and therefore requires a different approach to general environmental regulation but enforcement powers will be similar.

However, many reservoirs, as well as being required to register under the 2011 Act, are also required to hold environmental licences for their impoundment activities (such as dams) which impact directly on the water environment. In which case, both charging schemes will apply to those sites.

## 1.3 Charges approval process

Under the 2011 Act and associated regulations we must consult with interested parties. SEPA will consider comments received on the consultation, whilst having regard to our requirement to set charges in order to recover relevant costs and expenses. SEPA will publish a summary of comments received (as well as its response to those comments) on our website and via the ['Citizen Space' consultation tool](#).

## 1.4 How to respond

We would like your views on the proposed new charging scheme for reservoir safety, the reasons behind your views and, where possible, any evidence you have that supports them.

**The consultation period closes on 10 July 2015**

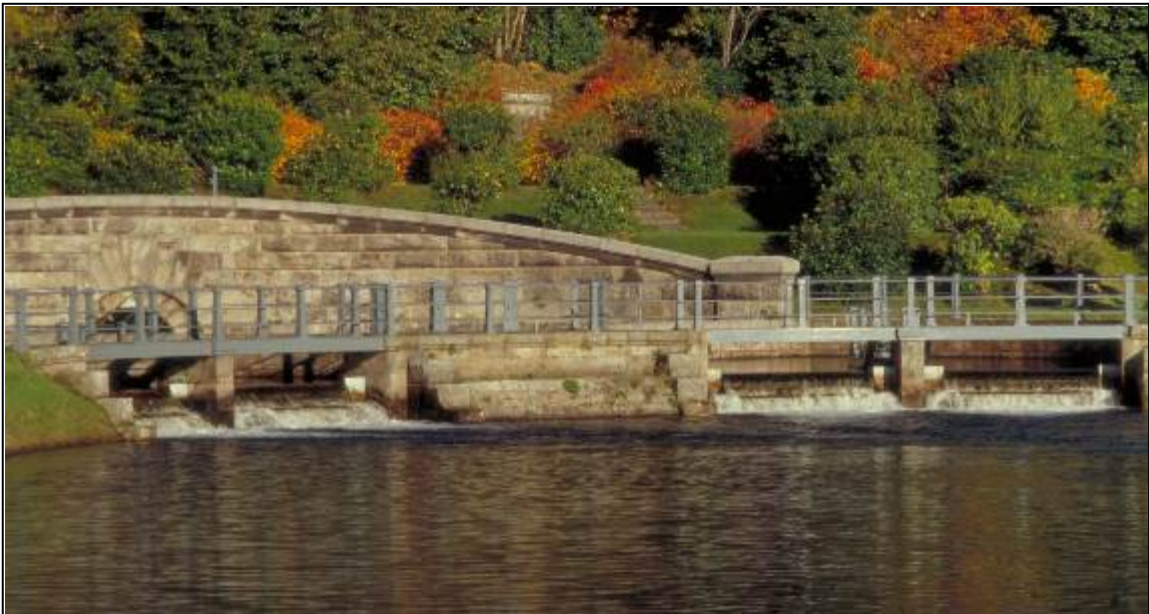
You can submit your responses either by using our [consultation tool \(Citizen Space\)](#)

or by returning your responses on the Respondent Information Form (see Annex 1), in writing or by email to:

Reservoirs Charging Scheme Consultation  
Scottish Environment Protection Agency  
Strathallan House  
Castle Business Park  
Stirling  
FK9 4TZ  
Email: [reservoirs@sepa.org.uk](mailto:reservoirs@sepa.org.uk)

All responses will be made public, unless a respondent specifically asks for their response to be treated confidentially. However, confidential responses may still be included in any statistical summary of the number of responses received or views expressed.

If you know of others with an interest in this but who may not have received a copy of the consultation, please refer them to our website or ask them to contact us, Tel: 03000 996699. We look forward to receiving your comments.



## 2 Background

Currently, reservoir safety in Scotland is regulated by the 32 Scottish local authorities under the Reservoirs Act 1975. Under this legislation, reservoirs greater than 25,000 cubic metres in capacity (known as 'large raised reservoirs') require to be registered with the local authority.

The commencement of the 2011 Act represents a significant change in the way reservoirs will be regulated. In Scotland, the 2011 Act replaces the Reservoirs Act 1975 and introduces new safeguards by taking a risk based approach to reservoir safety. It involves putting measures in place to increase public protection from the effects of flooding due to an uncontrolled release of water from a reservoir and to reduce the likelihood of structural failure of a dam. When fully commenced, the 2011

Act will place the responsibility for enforcing the regulatory framework on SEPA rather than local authorities.

In commencing this legislation the Scottish Government's principal aim is to ensure that all reservoirs with the potential to pose a risk to people, property and infrastructure are subject to a proportionate level of regulation designed to reduce and manage these risks.

It is important to note that this change in legislation places significantly greater regulatory demands on SEPA compared with the current, non-risk based regime. The new role for SEPA will involve much more than maintaining a database and filing of correspondence. SEPA will receive a substantial increase in volume of reporting from reservoir engineers. It will ensure measures in the interest of safety are carried out by the required date and will be required to produce and maintain an enhanced publically available register of controlled reservoirs. A key role for SEPA will be to ensure timeous compliance with the legislation and carrying out relevant enforcement in a consistent manner across Scotland.

The benefits to society that this new responsibility for SEPA provides are:

- Improvements in reservoir safety;
- Increased protection to the public from the risk of reservoir flooding, providing greater security for people, property and infrastructure;
- Proportionate regulation focused on reservoirs classified as High Risk;
- Consistency and transparency in regulation through dealing with one body (SEPA) rather than 32 different organisations (local authorities);
- Making key reservoir safety information readily available to the public.

In SEPA's new regulatory role we will look to support reservoir managers and reservoir engineers in their efforts to comply with the new legislation. To this end SEPA has undertaken a number of mailshots to reservoir managers and engineers informing them of the changing legislation and what will be required of them. To further help reservoir managers and engineers in understanding their duties and roles under the 2011 Act, SEPA has produced a number of guidance documents and briefing notes that are available on our website and we will continue to work with the reservoir industry to ensure as smooth a transition as possible.

The 2011 Act is being commenced in a phased approach with reservoirs capable of holding over 25,000 cubic metres ('controlled reservoirs') brought under the new regime from 1 April 2016. Reservoirs capable of holding between 10,000 and 25,000 cubic metres are being brought into the scheme at a later date which is yet to be announced by the Scottish Government.

The primary purpose of the 2011 Act is to provide greater security and protection for people, property and infrastructure (as well as the environment) from the risk of flooding from reservoirs. These proposals are therefore separate and in addition to CAR licensing and will not alter the requirement to hold an impoundment licence where needed or to pay associated environmental licensing charges.

Although there will be a requirement to register a controlled reservoir with SEPA under the 2011 Act and associated Regulations, unlike CAR, no separate licence or other form of authorisation containing conditions or rules will be issued to the reservoir manager as a result of registration. Nevertheless, the reservoir manager will be responsible for complying fully with the legislative requirements for reservoir safety.



### 3 Proposed charging scheme

SEPA, unlike the local authorities, will be required to recover its costs through charging as it will not be funded by the Scottish Government for reservoir safety regulation. The aforementioned legislation\* specifies which activities SEPA is able to recover costs for and in so doing provides certain safeguards to reservoir managers. (\* [Reservoirs \(Scotland\) Act 2011](#), [The Reservoirs \(Scotland\) Regulations 2015](#))

Charges have been developed in accordance with the Scottish Public Finance Manual (SPFM) which is published by Scottish Ministers to provide guidance to public bodies on the setting of fees and charges and other finance matters. It is available on the Scottish Government website at [SPFM](#).

SEPA's new charging scheme for reservoir safety is planned to come into effect on 1 October 2015. Levels of administrative and regulatory activity by SEPA in relation to reservoir safety will be monitored and the charging scheme reviewed at least once every three years, following which the scheme may be revised. The first charging scheme covers the financial periods 2015/16, 2016/17 and 2017/18 and will provide charge payers with certainty over that period. The annual increases in charges as detailed in this consultation are a result of predicted rising costs including labour and inflation over the 3 year period and all charges will be subject to RPI increases thereafter. A breakdown of the main regulatory tasks, times and associated costs is available at Annex 2.

It is proposed that charges for controlled reservoirs covered by the 2011 Act will be introduced under the following categories:

Under Section 14 of the 2011 Act

- Registration fee;
- Annual subsistence fee (from 1 April 2016);
- Notification ('cessation' and 'new manager') fees

Under Section 23 of the 2011 Act

- Application fee for review of SEPA risk designation

In deriving the proposed charges, SEPA has used the best evidence based estimates from its knowledge and experience as environmental regulator together with the Environment Agency's (EA'S) experience of regulating reservoirs since it acquired these duties in 2004. However funding of SEPA and the EA are different and unlike the EA whose costs are partially covered by Grant in Aid, SEPA is expected to fully recover costs from charging.

During the initial 3 year period before the charging scheme is reviewed, SEPA will monitor and assess the time taken to perform the tasks that have been included in the charging scheme. In doing so SEPA will gain a greater understanding of the actual costs of carrying out its functions in relation to reservoir safety thereby supporting the review process.

### 3.1 Registration fee

It is a statutory obligation for reservoirs greater than 25,000 cubic metres to be registered with SEPA. However, registration of existing (1975 Act) or newly built reservoirs between 1 April and 30 September 2015 will be free as a concession to current reservoir managers.

Thereafter, a registration fee applies to any new structures or areas which become controlled reservoirs from 1 October 2015 and to any late registration of existing (1975 Act) reservoirs. (Please note that a late registration is defined as any registration of an existing (1975 Act) controlled reservoir which is made after the initial 6 month free registration period of 1 April – 30 September 2015).

It is also the Scottish Government's intention to include a 6 month free registration period for existing reservoirs with a capacity between 10,000 cubic metres and 25,000 cubic metres when the capacity threshold is reduced, at a date to be announced by the Scottish Government.

In the event that registrations are submitted late, or for new registrations, the proposed registration fees have been set at a level which reflects the calculated average cost to SEPA of registering a controlled reservoir which includes:

- populating SEPA's reservoirs database to support ongoing regulatory tasks;
- populating the register of 'controlled reservoirs' and making it publically available;
- applying SEPA's risk designation process and assigning a risk designation to every registered 'controlled reservoir'(this is a task not currently required to be carried out by local authorities);
- engaging with reservoir managers to support them in complying with the legislation.

For registration of a controlled reservoir which is new and becomes a controlled reservoir after 30 September 2015 or for any late registration of existing 1975 Act reservoirs, the following proposed fees will apply over the next 3 financial years:

Table 1: Registration fees

<b>Financial year</b>	<b>Proposed registration fee</b>
2015/16	£488
2016/17	£505
2017/18	£523

To see in more detail how the registration fees have been calculated, please refer to the information on task times and costs available at Annex 2

One registration fee will be payable per controlled reservoir (as a non-recurring, 'one-off' fee) and the same registration fee will apply to all controlled reservoirs regardless of the volume of the reservoir.

Where combinations of smaller reservoirs in a cascade situation constitute a controlled reservoir, only one registration fee will be payable for that controlled reservoir, regardless of the number of reservoirs making up the combination. However, in such cases where multiple reservoir managers may be involved, SEPA



would expect one registration payment to be made (by mutual agreement of the reservoir managers) rather than part payment from a number of different managers.

**Question 1:** Do you agree with the proposed level of registration fees? If no, please state why.

### 3.2 Annual subsistence fee

As part of the registration process, SEPA will categorise each controlled reservoir as High, Medium or Low risk by applying its reservoir risk designation methodology. This risk designation takes into account the consequence of an uncontrolled release of water from a reservoir and the potential impact on a number of different receptors. The prime factor in applying a risk designation is the potential impact of an uncontrolled release of water on downstream communities.

Although existing 1975 Act reservoirs are registering with SEPA between 1 April and 30 September 2015, full regulatory responsibility for these reservoirs is not expected to transfer to SEPA from the local authorities until 1 April 2016. Therefore annual subsistence charges will be planned to commence from 1 April 2016 for all registered reservoirs.

The proposed annual subsistence fees have been set at a level which takes account of the number of reservoirs to be registered and reflects the calculated cost to SEPA of regulating reservoir safety which includes:

- maintaining and updating SEPA’s controlled reservoirs database;
- maintaining and amending the publicly available register of controlled reservoirs;
- monitoring compliance with the legislation;
- carrying out relevant enforcement action;
- engaging with reservoir managers and panel engineers to support and help them comply with the legislation;
- meeting statutory reporting duties such as biennial reports to Scottish Government.

Annual subsistence charges over the next 3 financial years will reflect the assessed risk of each controlled reservoir as follows:

Table 2: Annual subsistence fees

Financial Year	Proposed annual subsistence fee		
	High risk reservoir	Medium risk reservoir	Low risk reservoir
2015/16	No fee	No fee	No fee
2016/17	£419	£282	£172
2017/18	£434	£292	£178

To see in more detail how the subsistence fees have been calculated, please refer to the information on task times and costs available at Annex 2

These fees will enable SEPA to recover the cost of regulating reservoir safety whilst adopting a risk based approach to regulation.

Low risk sites would pay the least amount of annual subsistence as these reservoirs will require minimum regulatory supervision by SEPA. In contrast, medium risk sites will require greater regulatory supervision than low risk sites but not as much as high risk sites which will require the greatest amount of regulatory supervision and control. Thus the proposed annual subsistence fees are reflective of proportionate regulation aligned with risk.

Where a controlled reservoir has more than one reservoir manager, the reservoir managers may choose to nominate a single 'point of contact' to correspond with SEPA and fulfil certain functions required by the legislation.

In such cases, only one annual subsistence fee per controlled reservoir will be applied as SEPA will only be required to engage with one reservoir manager (the point of contact manager). However, if no such point of contact manager is nominated, then the full annual subsistence fee will apply to each of the reservoir managers for that controlled reservoir.

**Question 2:** Do you agree with the proposed level of subsistence fees? If no, please state why.

**Question 3:** Do you agree that the level of annual subsistence fee should vary according to the assigned risk designation of the reservoir with high risk reservoirs being subject to the highest fee and low risk reservoirs subject to the lowest fees? If no, please state why.

### 3.3 Notification ('cessation' and 'new manager') fees

Where a person ceases to be a reservoir manager of a controlled reservoir or where a person becomes a reservoir manager (e.g. when a reservoir changes ownership) then notice must be given to SEPA within 28 days of this occurrence. SEPA will then update its records accordingly and will write to the reservoir manager(s) to confirm the changes made to the reservoir records and inform the incoming manager of their roles and duties under the 2011 Act.

The proposed 'cessation' and 'new manager' fees have been set at a level which reflects the calculated cost to SEPA of processing a request to amend reservoir manager details which includes:

- updating our reservoirs database;
- updating our public register of controlled reservoirs;
- engaging with reservoir managers;
- ensuring the new reservoir manager is aware of the responsibilities under the 2011 Act.

The fees for the change of reservoir manager details over the next 3 financial years are as follows:

Table 3: Notification ('cessation' and 'new manager') fees

Financial year	Notification ('cessation' and 'new manager') fees
2015/16	£32
2016/17	£33
2017/18	£34

To see in more detail how the notification fees for ‘cessation’ and ‘new reservoir manager’ have been calculated, please refer to the information on task times and costs available at Annex 2

These fees will apply per notice to SEPA and will apply to both the reservoir manager who is ceasing AND to any new reservoir manager being notified to SEPA. However, for some sites where there are multiple reservoir managers, one manager may be ceasing but there is no new reservoir manager to be notified to SEPA in which case only one fee will apply.

**Question 4:** Do you agree with the proposed level of charge for notification (‘cessation’ and ‘new reservoir manager’) fees? If no, please state why.

### 3.4 Application fee for review of risk designation given to a reservoir by SEPA (charged under section 23 of the Reservoirs (Scotland) Act 2011)

After registering a controlled reservoir, SEPA will give the reservoir a provisional risk designation of high, medium or low risk. SEPA will also carry out a periodic review of a reservoir’s risk designation, at least once every six years. This could result in a change to the risk designation.

In the above situations, a reservoir manager may make representations to SEPA within two months of receipt of the provisional risk designation. SEPA will confirm the risk designation for the reservoir at the end of this period and after having considered any representations made by the reservoir manager.

If, after this process is complete, the reservoir manager disagrees with SEPA’s decision then the reservoir manager may apply to SEPA for a formal review of the risk designation which has been given to the reservoir.

Under section 23 of the 2011 Act SEPA may charge a fee in relation to an application for review of risk designation. The proposed fees have been set at a level which reflects the cost of processing such an application and to include:

- assessing and validating new information;
- reviewing previous risk designation outputs;
- where required, re-running the risk designation process;
- updating SEPA’s reservoirs database;
- updating the public register of controlled reservoirs;
- engaging with reservoir managers.

The fees for an application to review the risk designation of a reservoir over the next 3 financial years are proposed to be:

Table 4: Application fees for review of risk designation

<b>Financial year</b>	<b>Proposed application fee for a review of risk designation given to a reservoir by SEPA</b>
2015/16	£343
2016/17	£355
2017/18	£367

To see in more detail how the application fees for review of a risk designation have been calculated, please refer to the information on task times and costs available at Annex 2.

A fee will be payable for each application for review of the risk designation given to a controlled reservoir.

Should the risk designation change from high to medium or low risk or from medium to low risk as a result of the review application, then the application fee will be returned to the reservoir manager.

If the reservoir manager is dissatisfied with the decision following a review application then the reservoir manager may appeal to Scottish Ministers. In such cases, should the decision of Scottish Ministers result in a change to the risk designation from high to medium or low risk or from medium to low risk then the fee for the review application will be returned to the reservoir manager.

**Question 5:** Do you agree with the proposed level of application fee for a review of the risk designation given to a reservoir by SEPA? If no, please state why.

### 3.5 Summary of proposed charges

A summary of all proposed charges, projected over the next 3 financial years is shown in the following table:

Table 5: Summary of charges

Type of charge	Financial year		
	2015/16	2016/17	2017/18
Registration fee (outwith 6 month free period of 1 April – 30 September 2015)	£488	£505	£523
Annual subsistence fee:			
High risk reservoir	No fee	£419	£434
Medium risk reservoir	No fee	£282	£292
Low risk reservoir	No fee	£172	£178
Notification ('cessation' and 'new manager') fees	£32	£33	£34
Application fee for review of SEPA risk designation	£343	£355	£367

## 4 Payment details

Correct payment will require to be made when submitting a registration, applying for a review of risk designation or notifying SEPA of cessation of a reservoir manager and/or a new reservoir manager.

Annual subsistence fees will be due on 1 April of each financial year for the forthcoming year and will be issued by invoice. SEPA's normal conditions of payment will apply (available on our website and included on every invoice). As mentioned in Section 3.2, annual subsistence fees will not be commenced before 1 April 2016.

For any new reservoirs which are given their first risk designation after 31 March 2016, the annual subsistence fee will be applied proportionately for that financial year from the date that the first risk designation is given.

Where, as a result of a review of risk designation of a reservoir referred to in Section 3.4, a different risk designation is given by SEPA, then the amount of subsistence fee payable for that financial year will be based on the risk designation which applied on 1 April of that year.

Partial refunds of annual subsistence payments may apply where during the course of the relevant financial year, a reservoir no longer requires to be registered. Partial refunds of annual subsistence may also apply where ownership of a reservoir is transferred from one reservoir manager to another.

## 5 Estimated financial impact

The main reservoir owners in Scotland are represented by the water services, hydropower, local authority and navigation sectors. Around 690 reservoirs greater than 25,000 cubic metres in capacity are due to be registered with SEPA under the 2011 Act between 1 April and 30 September 2015 and over 60% of these are represented by the four sectors listed below. The estimated financial impact on these sectors, in terms of annual subsistence fees, is as follows:

Table 6: Estimated financial impact

Reservoir manager sector	No. of controlled reservoirs >25,000m <sup>3</sup>	Estimated annual subsistence		
		2015/16	2016/17	2017/18
Water services	267	£0	£108,797	£112,690
Hydropower	94	£0	£36,582	£37,863
Local authority services	44	£0	£17,250	£17,854
Navigation	20	£0	£7,023	£7,271

An estimated 850 additional sites with capacity between 10,000-25,000 cubic metres are expected to be regulated under the scheme at a later date which is yet to be announced by the Scottish Government. Many of these smaller sites will be owned by private landowners and estates, farmers and angling groups, in addition to the main groups above.

The total estimated financial impact on these reservoir owners would be approximately £328,000 per annum in 2016/17 and £340,000 per annum in 2017/18 should these sites be brought under regulation during that period. This is based on an estimated split of 80% of these sites being designated as high risk, 15% as medium risk, and 5% as low risk.

### Scottish Government Business and Regulatory Impact Assessment “BRIA”

As part of the legislative process the Scottish Government carried out a consultation with small businesses and owners of reservoirs regarding the impact that

commencement of the 2011 Act would have on their business activity. There were 14 responses to this consultation, 8 from face to face meetings and 6 by email.

The main findings of this consultation were that, while the majority understood and accepted that implementation of the Act would lead to them incurring additional costs, they accepted the introduction of the “polluter pays” principle. Any additional costs would be unwelcome and should be kept as low as possible to minimise the impact on business activities. All respondents stated that the annual fees for inclusion on the Register should be kept as low as possible. It was suggested that this could be done by only allowing SEPA to recover reasonable costs and by ensuring that no unnecessary bureaucracy is introduced to support the on-going administration of the register.

The full BRIA can be found on the Scottish Government Website at <http://www.gov.scot/Topics/Environment/Water/16922/Whats-New/FinalBRIA>

<p><b>Question 6:</b> Do you have any other comments you wish to make about SEPA's proposed charging scheme for reservoir safety?</p>
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## 6 Annex 1 Respondent information form

Please note that this form **must** be returned with your response to ensure that we handle your response appropriately unless you use the web based consultation tool ('Citizen Space').

### 1. Your Name / Organisation Name:

<b>Name:</b>	<b>Organisation:</b>
Do you wish your response to be treated confidentially?	YES <input type="checkbox"/> NO <input type="checkbox"/>

### 2. Questions

Question	Question	Your response
1	Do you agree with the proposed level of registration fees? If no, please state why.	YES <input type="checkbox"/> NO <input type="checkbox"/> Comments:
2	Do you agree with the proposed level of subsistence fees? If no, please state why.	YES <input type="checkbox"/> NO <input type="checkbox"/> Comments:
3	Do you agree that the level of annual subsistence fee should vary according to the assigned risk designation of the reservoir with High risk reservoirs being subject to the highest fee and Low risk reservoirs subject to the lowest fees? If no, please state why.	YES <input type="checkbox"/> NO <input type="checkbox"/> Comments:

<p><b>4</b></p>	<p>Do you agree with the proposed level of charge for notification ('cessation' and 'new reservoir manager') fees? If no, please state why.</p>	<p><b>YES</b> <input type="checkbox"/>      <b>NO</b> <input type="checkbox"/></p> <p>Comments:</p>
<p><b>5</b></p>	<p>Do you agree with the proposed level of application fee for a review of the risk designation given to a reservoir by SEPA? If no, please state why.</p>	<p><b>YES</b> <input type="checkbox"/>      <b>NO</b> <input type="checkbox"/></p> <p>Comments:</p>
<p><b>6</b></p>	<p>Do you have any other comments you wish to make about SEPA's proposed charging scheme for reservoir safety?</p>	<p><b>YES</b> <input type="checkbox"/>      <b>NO</b> <input type="checkbox"/></p> <p>Comments:</p>

## 7 Annex 2 – Breakdown of main regulatory tasks, times and associated costs

### 3.1 Registration

Registration fee	Average	2015-16	2016-17	2017-18
Breakdown of main tasks	Time (hr)	£	£	£
Pre-registration discussions	0.50	26	27	28
Receipt of registration	0.25	10	11	12
Validation of registration	1.00	52	54	56
Request correct details / further information	1.00	52	54	56
Input registration details onto database	1.00	52	54	56
Apply risk designation process	2.00	126	128	131
Notify reservoir manager of provisional risk designation	0.50	26	27	28
Assess representations to SEPA	0.90	52	54	56
Notify reservoir manager of first risk designation	0.50	26	27	28
Update database with risk designation & site requirements	0.50	26	27	28
Update Public Register	0.50	20	21	22
Sign off registration process	0.25	20	21	22
<b>Cost per registration</b>		<b>£488</b>	<b>£505</b>	<b>£523</b>

### 3.2 Annual subsistence

Annual subsistence fee	2016-17 average cost per task for each reservoir (£)			2017-18 average cost per task for each reservoir (£)		
	High risk	Medium risk	Low risk	High risk	Medium risk	Low risk
Record all correspondence and reports on database	188	81	14	194	84	14
Update and maintain site details on database	4	4	4	4	4	4
Update and maintain public register of controlled reservoirs	4	4	4	4	4	4
Undertake enforcement action	49	19	2	51	19	2
Manage input of external engineering services	9	9	0	10	10	0
Maintain emergency response engineering contracts	5	5	0	5	5	0
Maintain standard documentation and business procedures	6	6	6	6	6	6
Post Incident reporting	7	7	7	7	7	7
Statutory biennial reporting to Scottish Government	7	7	7	7	7	7
Provide advice, support and guidance to reservoir managers	17	17	17	18	18	18
Ongoing liaison with panel engineers	4	4	0	4	4	0
Contingency group liaison	8	8	0	8	8	0
SEPA representation on technical groups	4	4	4	5	5	5
External promotion of reservoir safety & regulatory procedures	6	6	6	6	6	6
Responding to data & other information requests	26	26	26	27	27	27
Internet & intranet publishing of information and guidance	8	8	8	8	8	8
Staff Training	18	18	18	19	19	19
Reservoirs Regulatory Unit Management	49	49	49	51	51	51
<b>Total cost per high, medium and low risk reservoir</b>	<b>£419</b>	<b>£282</b>	<b>£172</b>	<b>£434</b>	<b>£292</b>	<b>£178</b>

### 3.3 Notification ('cessation' and 'new manager') fee

Notification ('cessation' and 'new manager') fees	Average time (hr)	2015-16	2016-17	2017-18
Breakdown of main tasks		£	£	£
Receipt of notification to transfer and validation process	0.125	5	5	5
Update database	0.125	5	5	5
Update Public Register	0.125	5	5	5
Confirm change of reservoir manager details and issue guidance	0.125	7	7	8
Management and sign off of transfer process	0.125	10	11	11
<b>Cost per notification ('cessation' and 'new manager' fee)</b>		<b>£32</b>	<b>£33</b>	<b>£34</b>

### 3.4 Review of risk designation

Application fee for review of risk designation	2015-16		2016-17		2017-18	
Breakdown of main tasks	Average time (hr)	£	Average time (hr)	£	Average time (hr)	£
Receipt of application and validation process	0.25	10	0.25	11	0.25	12
Repeat Risk Assessment and review previous results	2.00	127	2.00	129	2.00	132
Notify reservoir manager of risk designation post review	0.50	26	0.50	27	0.50	28
Appeals process to Scottish Ministers	0.84	60	0.84	63	0.84	65
Update database and public register	0.50	20	0.50	21	0.50	22
SEPA Regulatory Review Team approval	1.00	80	1.00	83	1.00	86
Management and sign off of review process	0.25	20	0.25	21	0.25	22
<b>Cost per application</b>		<b>£343</b>		<b>£355</b>		<b>£367</b>