

Detailed guide: Compliance rating guidance: environmental permits

Updated: Page updated with a link to the document about recording non-compliance using the Compliance Classification Scheme (CCS): <https://www.gov.uk/government/publications/recording-non-compliance-using-the-compliance-classification-scheme-ccs>.

This guidance only applies to installations and waste operations.

It does not apply to farming installations operated by members of the Environment Agency's Pig and Poultry Assurance Scheme, or waste mobile plant.

The Environment Agency covers the cost of regulating an activity through annual subsistence charges. The Environment Agency has set base subsistence charges for different activities. You can find out more about subsistence charges in the [Environmental permitting charges guidance](#).

An operator's compliance record will affect whether they pay a subsistence charge that is higher or lower than the base charge. The Environment Agency will calculate a compliance rating for an operator based on their compliance record.

The Environment Agency does compliance ratings to help assess the risks from a regulated facility. It helps them identify:

- the operators and facilities that pose a higher risk to the environment
- where they will need to spend more time regulating and carrying out compliance assessments

The Environment Agency calculates your compliance rating after your permit has been issued.

The Environment Agency uses a standard approach called the [CCS](#) to classify permit breaches.

They will look at whether you have kept to the conditions of your permit. They will also look at the consequences of you failing to meet those conditions, for example:

- what might happen to the environment
- any work they would need to do to deal with a breach or to make your site compliant

The Environment Agency identifies and records any non-compliances in the course of a calendar year – January to December. They use this information to work out your compliance rating based on a points system. For permits that cover more than one activity, the compliance rating will apply to the whole permit.

The Environment Agency will adjust your yearly subsistence charges based on the compliance rating.

For the first year you have a permit, your compliance rating will be based on any non-compliances from the date the Environment Agency issues your permit, until 31 December of that year.

Converting CCS points into a compliance rating band

The Environment Agency converts permit breaches into a points system. They add the points from each breach to calculate an annual total of non-compliance points.

They allocate points based on the amount of extra work they usually have to do when dealing with different types of permit breaches.

For category 1 breaches the Environment Agency recovers some of their costs through subsequent legal action, for example, costs awarded after a prosecution. The Environment Agency takes this into account when calculating the points score.

CCS category breach CCS points per breach

1	60
2	31
3	4
4	0.1

The annual total of points is then converted into a compliance rating band as follows:

- Band A: 0 CCS points
- Band B: 0.1 – 10 CCS points
- Band C: 10.1 – 30 CCS points
- Band D: 30.1 – 60 CCS points
- Band E: 60.1 – 149.9 CCS points
- Band F: 150 + CCS points

How your compliance rating affects your subsistence charge

Based on the cumulative score over a calendar year the Environment Agency places each site into one of six compliance bands A to F.

Compliance band	CCS scores (range)	Impact on charge	Comment
A	0	discount of 5%	best performers
B	0.1 – 10	no impact	
C	10.1 – 30	10% increase	
D	30.1 – 60	25% increase	
E	60.1 – 149.9	50% increase	

Compliance band	CCS scores (range)	Impact on charge	Comment
F	150+	200% increase	worst performers (3x baseline charge)

The Environment Agency will change your following year's subsistence charge to reflect your compliance band.

Your base subsistence charge will be reduced if you achieve a band A for your compliance rating. This reflects the reduction in risk posed by well-managed installations.

If you have an occasional minor breach of a permit condition the Environment Agency will not change your overall charge.

If you have more non-compliances and are in bands C to F, your subsistence charge will increase. This is because of the higher workload associated with a higher compliance banding (that is, one with a poorer compliance record).

Telling you about your compliance band and permit breaches

The Environment Agency will tell you as soon as possible about any non-compliance and how they will classify this under the CCS.

They will also tell you about any proposed enforcement action to deal with the breach. They will:

- give you the chance to discuss with an Environment Agency officer why they have classified the event into a specific CCS category
- tell you how to raise the matter with the Environment Agency officer's line manager if you are not happy with the category of non-compliance
- tell you about all non-compliance events they will use to calculate your compliance band

Permits transferred between operators

If you have a permit that has been transferred from a previous operator, the compliance rating for the previous operator will continue to apply to you. This is because the previous compliance record at a site continues to be a good indicator of the amount of regulatory work the Environment Agency will need to do.

If the previous compliance rating was band C to F, the Environment Agency will reset the compliance rating band to band B if they have strong evidence that:

- you operate in a very different way to the old operator
- the previous non-compliance issues have been dealt with or can be quickly sorted out

If you have a permit which has been partially transferred to you, the

Environment Agency will decide on a case by case basis which operator will receive the compliance rating associated with the pre-transfer permit. This will be based on their knowledge of the site and the operators concerned.

Compliance band F

Operators with the poorest level of compliance are in compliance band F. If a waste facility or installation has 150 (or more) CCS points in a calendar year, they will be placed in compliance band F. The Environment Agency will adjust their annual subsistence charge to 300% of the charge in the [tables of charges](#).

The Environment Agency wants operators with a band F compliance rating to improve their performance.

The Environment Agency will review a band F operator's compliance 6 months into the following compliance year (30 June). At that point, they may adjust the annual subsistence charge to band E (150%) provided the operator has:

- significantly improved compliance with their permit requirements
- less than 50 non-compliance points at that mid-year point

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