

Nuclear New Build Programme Management

EXECUTIVE MEMBER: Councillor Elaine Woodburn
LEAD OFFICER: Fergus McMorrow
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WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS

Help to ensure that the development of new nuclear reactors is done in a manner that most meets the needs of the community

WHY HAS THIS REPORT COME TO THE EXECUTIVE? (eg Key Decision, Policy recommendation for Full Council, at request of Council,etc.)

As required by the Councils Standing Orders

Key Decision: Yes

Summary and Recommendation:

This report deals with the continuation of key programme management functions provided externally.

Executive is asked to consider this report and agree to:

- (a) approve the short term proposals referred to in paragraph 3.1 of the report, namely an extension to the existing service provider's contract until such time as the tendering process is completed. such extension being for the reasons set out in paragraph 2.1; and
- (b) that tenders be invited, through the OJEU competitive process, for a new contract for the services referred to; and
- (c) to delegate authority for the selection of applicants to tender and acceptance of a tender for these services to the Chief Executive in consultation with the Head of Legal and Democratic Services and the relevant Portfolio Holder.

1. INTRODUCTION

- 1.1 A Programme Manager is currently appointed on a part time basis to add capacity in order to programme manage the Councils workload in relation to the proposed nuclear new build programme and related development such as grid infrastructure.
- 1.2 This initial contract was essential in order to ensure the Council gets on with the early work it needs to do to be in a position to carry out its planning and development activities. These involve setting up the right processes and procedures and undertaking initial pieces of work order to assess the proposals and ensure the impacts are fully planned for. The workload required as part of the statutory planning process will be substantial and in due course the Council will need to procurement a much larger increase in its capacity to deal with it. It is anticipated that the latter will be funded by the consortia carrying out the development in line with the funding guidelines that the government have issued. The recommended approach is to use the Planning Act powers and enter into a formal Planning Performance Agreement where the developer is charged for the work that needs to be carried out.

2. ARGUMENT

- 2.1 The initial appointment was intended to help prepare the ground for this much larger procurement. It is now evident that the Planning Performance Agreement and related procurement is still some way away. In the meantime there is a need to continue the programme management work currently being undertaken. This will result in the cumulative cost of the contract exceeding the £50,000 threshold in our standing orders. The contract renewal, therefore, requires a full tender process.
- 2.2 The length of the new contract will depend on the timing of the larger procurement which, in turn will rely on how quickly the developer is ready to proceed. As this is uncertain and as it is not clear whether the cumulative cost of successive contracts would exceed the threshold triggering European Contracting Regulations these will be followed in order to provide flexibility.
- 2.3 Due to the need for continuity it is proposed to extend the current contract for the short period required to allow the lengthier European process to be followed. This will provide continuity at a critical time and allow the Council to extend the contract as needed.

3. OPTIONS TO BE CONSIDERED

- 3.1 The time required to go through the EC tendering process has the potential of taking the current contract cost over the £50,000 threshold. The proposed option would, therefore, be to waive standing orders to allow additional spend sufficient only to complete the process. In the meantime the work will be retendered as described.
- 3.2 A second option would be to end the current contract as soon as it has reached £50,000. We would then await the appointment arising from the new tender process. This would create a gap in provision. As the contractor is heavily engaged in a number of projects and his continued support is considered essential the Councils preparations would be seriously affected.
- 3.3 As previously, any further contract for this work would be temporary, reviewable on a three monthly rolling basis and would not carry with it any longer term employment liabilities, thus maintaining complete budget flexibility for the future

4. CONCLUSIONS

- 4.1 This continuing resource and support will be required for a further period of time, and cannot be replaced quickly. A failure to provide continuity could severely damage progress on key projects being developed as a priority by the Council.
- 4.2 Executive is asked to approve the short term proposals under 3.1, on the basis that the services will then be taken through the OJEU competitive process.
- 4.3 Executive is also asked to agree to delegate authority for selection of applicants to tender and acceptance of a tender for these services to the Chief Executive in consultation with the Head of Legal and Democratic Services and consultation with the Portfolio Holder.

5. FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)

- 5.1 The services provided are and will continue to be funded through the £210,000 budget allocated for the purpose of supporting the Nuclear New Build work load this year. Expenditure to date this year is approximately £25,000 and this is against the current contract.

6. WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?

- 6.1 The Council has already recognised the need for additional capacity to deliver nationally significant infrastructure projects in Copeland, in particular in relation to the development of Nuclear New Build at Sellafield which is moving forward. Hence the budget referred to above was agreed to support this capacity need. The Section 151 officer has no comments and the Monitoring Officer consider that the proposal can be justified under contract procedure rules

7. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

- 7.1 A Programme Manager is currently working with CBC and partners to manage this process in these early stages, with reporting at Director level, risks will also be managed through the cross organisation Spatial Planning Group which is chaired by the Council's Director of Development.

8. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

- 8.1 The procurement of consultants is essential to add capacity to, and underpin our Local Development Framework and begin the process of CBC actively preparing for the Nuclear New Build programme and associated implications on our communities.

List of Appendices - None

List of Background Documents: None