

NUCLEAR NEW BUILD, GENERAL UPDATE, PROCUREMENT OF SPATIAL PLANNING CONSULTANTS AND NUCLEAR GOVERNANCE REVIEW

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WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS

The successful development of Nuclear New Build proposals will substantially contribute to the economic well-being of Copeland residents through the provision of new job opportunities for future generations.

WHY HAS THIS REPORT COME TO THE EXECUTIVE?

(eg Key Decision, Policy recommendation for Full Council, at request of Council,etc.)

To seek a key decision to appoint consultants and to seek support for a review of governance within the Council, relating to Nationally Significant Infrastructure Projects.

RECOMMENDATION:

That Executive agrees to;

- the Council acting as accountable body for £200,000 of external funding from Britain's Energy Coast and using this funding to procure planning consultants to carry out spatial and economic impact studies,
- a comprehensive review of the Councils governance arrangements relating to the Nuclear agenda, and
- delegate authority for the selection of the Ad Hoc list of consultants, and acceptance of a tender to the Chief Executive in consultation with the Head of Legal and Democratic Services and the relevant Portfolio Holder

1. INTRODUCTION

1.1 Since the Special Full Council meeting in February when Members considered the Councils response to the National Policy Statements for Energy a range of work streams have been progressed and reported on a regular basis to the Nuclear Working Group.

2. CURRENT SITUATION

National Policy Statements

- 2.1 Following the General Election in May the new government has recently confirmed that it is planning to re-consult on the National Policy Statements (NPS) for Energy and latest indications are that this will take place in the Autumn. However for the Nuclear NPS the Government intends to analyse the responses received to the consultation earlier this year and publish the Nuclear NPS in the Autumn. This will include details of sites that the Coalition Government view as potentially suitable for deployment as nuclear power stations by 2025. The new Government has also indicated that it intends to abolish the recently established Infrastructure Planning Commission but will retain the principles of considering applications for development consent for major infrastructure projects through a new Major Projects Unit as part of the national Planning Inspectorate but with the ultimate decision sitting with Ministers once more.

NNB Consortium

- 2.2 The consortium bringing forward the development of a site at Sellafield for new nuclear power station facilities continues to develop the company structure to take forward the proposals. The consortium expects to host an introduction event in late Autumn that will confirm the new company brand. Initial site assessment work is underway along with a search for local temporary office accommodation. Initial information suggests that the company will be seeking to make a decision to invest around 2014 with an application for development consent being made later that year and a projected start on site around 2016. Further discussions with consortium representatives will take place shortly regarding the entering into of a Planning Performance Agreement (PPA), which if agreed will provide resources to cover additional and substantial tasks required to be carried out by the Council as part of the development consent process.

RWE

- 2.3 RWE have given up their Grid connections, the implication being that they are not seeking to develop their sites in the short term. They are however, still deployable by 2025. Should RWE wish to pursue these sites then we would also expect to enter into a Planning Policy Agreement, as with all Nationally Significant Infrastructure Projects.

National Grid

- 2.4 In order to ensure the effective distribution of power generated by new facilities in West Cumbria, grid capacity across Cumbria and Lancashire will need to be enhanced. Early discussions with National Grid are underway regarding potential

route options which in due course, will be the subject of an application for development consent, and the need for extensive community consultation. Cumbrian and Lancashire local authorities have had initial discussions regarding how to work together to engage with National Grid. Early indications are that resource implications for the local authorities will be funded through a Planning Performance Agreement with National Grid.

Spatial Planning

2.5.0 A Cumbrian-wide Spatial Planning Group, with representatives from all local authorities across Cumbria and including representatives from Lancashire County Council and Lancaster City Council, has been established led by Copeland Borough Council to consider the spatial implications of the nuclear new build and national grid proposals along with related developments. An application to the British Energy Coast West Cumbria Board has provided funding (£200,000) to carry out physical and economic impact studies. Led by Copeland Borough Council the intention is to utilise the funding, acting as accountable body, to appoint planning consultants to provide the necessary evidence base to support the understanding of the implications of nuclear and wider Energy Coast proposals in West Cumbria and contribute to the Local Development Framework process. The underpinning work to support these proposals is extensive. A robust and relevant LDF is a key part of the Development Consent process, the LDF must consider a range of new factors and plan for emerging issues as our understanding of the implications of these proposals gradually becomes clearer. This work will aid our understanding of what we are planning for and how Copeland should respond to these challenges. Subject to Executive support the proposal is to procure consultants via the Homes and Communities Agency's Master Planning Panel.

2.5.1 This contract will be let in five phases:

- Review the current evidence base and impact analysis which supports the argument for the infrastructure implications of the nuclear new build and other strategic investment plans in the area (Phase 1), and through a gap analysis identify with partners further work required to provide a robust and comprehensive evidence base to support subsequent discussions/negotiations with developers/IPC and feed into the production of the Local Development Frameworks/LTPs/Mineral Plans (Phase 2)
- From the provision of the comprehensive evidence base develop the spatial implications of the Britain's Energy Coast West Cumbria current and future Investment Plans in order to offset the impact of nuclear decommissioning (Phase 3)
- Prepare a framework for the provision of a planning obligations, infrastructure levy and community benefits strategy (Phase 4) and finally prepare a framework for the provision of a Local Impact Report for potential major

Alongside the work to provide the evidence base for spatial planning, a study funded by the NDA to update the skills and workforce needs brought about by decommissioning is also planned for completion by the end of the year. This will feed into the spatial work and assist the understanding of travel to work movements and potential implications for planning scenarios.

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Infrastructure

- 2.7 Following discussions with Department of Energy and Climate Change (DECC) officials regarding the infrastructure requirements for Nuclear New Build in West Cumbria, Government has requested an initial submission giving an indication of likely extent of key highway infrastructure improvements required to accommodate Nuclear New Build. This has been prepared for submission prior to the Summer recess in order for it to be considered as part of the Comprehensive Spending Review in October.

Nuclear Local Authority Network

- 2.8 Following a meeting held at the LGA conference in July of all nuclear authorities, it has been agreed that a National Nuclear Network is established to allow local authorities to work closely on delivering new nuclear missions, share learning and resources, for example in response to government consultations, and to provide consistency in our approach to the energy sector. An early task will be to write to Government regarding the importance of Community benefits working collectively to develop a lobbying position. The next meeting is due to take place in Somerset in September, both officers and members from Copeland will be in attendance.

3.PROCUREMENT

- 3.1 Contract Standing Orders (July 2008) allow the use of consortia or framework contracts, but in doing so managers are required to demonstrate a robust approach to obtaining value for money.

- 3.2 In this instance, as stated, use of the Homes and Communities Agency's Master Planning Panel is proposed, the consultants listed will be invited to complete a prequalification Questionnaire, and an evaluation process will be applied to enable selection of approx. 5 consultants in terms of both technical and financial suitability. The evaluation panel is expected to include a representative or representatives from the Cumbrian-wide Spatial Planning Group to support the Council.
- 3.3 In order to streamline this process Executive is asked to delegate authority for the selection of the Ad Hoc list of consultants, 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.
- 3.4 The process is above the threshold for European legislation for competitive tendering (£156,442) and will comply fully with these regulations.

4. GOVERNANCE ARRANGEMENTS

4.1 It is clear that the scale of the potential development through nuclear new build and ancillary facilities could be extensive. To ensure that Council decisions can be made at the appropriate level, in a timely way, and with transparency, and with clarity in the different roles the Council will play in relation to these processes, internal Governance arrangements will need to be reviewed. It is proposed that a comprehensive review of governance arrangements is instigated forthwith, this will include the role, and membership of the Nuclear Working Group.

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

- 5.1 The delivery of nationally significant infrastructure projects in Copeland has already identified the need for additional capacity within the Council, this is currently under review, and will benefit from Planning Performance Agreements as they emerge. Legal and Governance arrangements also need to be reviewed.
- 5.2 The Spatial Planning Consultants will be funded externally from Britain's Energy Coast (£200,000 offered) and managed by Copeland.

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

A Programme Manager is currently working with CBC and partners to manage this process in these early stages, risks will also be managed through the Spatial Planning Group.

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

The procurement of consultants to add capacity to, and underpin our Local Development Framework through the enhancement of our necessary evidence base, and begin the process of CBC actively preparing for the Grid and Nuclear New Build, development consent processes, the ultimate outcome being the delivery of the Energy Coast Master Plan.

List of Appendices

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List of Background Documents: