

New guidance – Licence Condition 2 (LC2) Marking of the site boundary

Office for Nuclear Regulation

RPC rating: validated

Description of proposal

The Office for Nuclear Regulation (ONR) places 36 licence conditions on holders of nuclear site licences. Licensees are required to put in place ‘adequate arrangements’ to comply with these conditions and, in some areas, there are more prescriptive obligations. The ONR also produces ‘guides’ for its inspectors who check compliance with the licence conditions.

The Licence Condition 2 (LC2) guidance relates to arrangements required for the marking of the boundaries of licensed sites. The marking of boundaries is necessary for public safety reasons, as it helps prevent ‘inadvertent or unauthorised entry’. The LC2 document provides guidance for ONR’s inspections of sites’ boundary marking arrangements and implementation.

Although the LC2 guidance is a new document, the ONR expects all nuclear sites to already have in place sufficient arrangements for marking boundaries. The assessment states that the aim of the guidance is to ensure that inspectors are consistent in their decisions, and that licensees are not mandated to read the guidance. Nonetheless, it is expected that many of them will do so.

Impacts of proposal

The assessment states that the LC2 guidance will apply to all 37 businesses that hold nuclear site licences in the UK. The direct cost to business relates to familiarisation with the guidance. Based on past experience with similar guidance, the ONR expects a single middle manager of each site to read the new document. The ONR estimates that managers will read the three page long guidance three times to gain full understanding of the document, and that this will take 26 minutes, based on Regulatory Appraisal Subgroup guidance reading times. Using an hourly wage rate of £47.86, based on ASHE 2015 data, the one-off familiarisation cost is estimated to be £788.90 in total. Therefore the EANDCB and BIT score round to zero.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

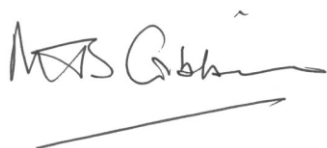
The submission is clear and concise, and provides sufficient evidence to support its estimate of the cost to business of the measure. The ONR also provides assurance that the change will not lead to an increase in the number of regulatory inspections, addressing a potential area for concern. The assessment would benefit from further explanation as to why only a single middle manager would read the guidance.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net cost to business (EANCB)	£0.0 million
Business net present value	£0.0 million
Societal net present value	£0.0 million

RPC assessment

Classification	Qualifying regulatory provision
EANCB – RPC validated ¹	£0.0 million
Business Impact Target (BIT) Score ¹	£0.0 million
Small and micro business assessment	Not required



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANDCB and BIT score figures to the nearest £100,000.