
Revised investigation process and guide
Office for Nuclear Regulation
Department for Business, Energy and Industrial Strategy
RPC rating: validated

Description of proposal

The Office for Nuclear Regulation (ONR) introduced new guidance on inspection processes for the nuclear industry. In the interests of transparency it has published the guidance provided to inspectors when conducting inspections. This replaces guidance issued when the ONR was a part of the Health and Safety Executive, which covered investigation processes in more general terms across a range of sectors. The inspection process itself has not changed – the purpose of the revised guidance is to provide clearer and more specific information on how and why inspections might take place to those who may be inspected ('duty holders').

Impacts of proposal

The regulator estimates that around 250 businesses within the nuclear industry are in scope of the on-site inspection regime (including 37 primary licence holders and just over 200 contracted businesses), with a further 2,000 businesses involved in the transport of radioactive materials. However, as the processes are not changing and there is no requirement to read the guidance, the regulator expects only the 37 primary licence holders and a small proportion of the other duty holders to familiarise themselves with the guidance. The regulator has used the number of times comparable guidance issued by the Office for Nuclear Regulation was viewed in the first year of publication to estimate that an additional 45 businesses (2% of duty holders, 37 primary licence holders and 8 others) will read the guidance. Using an hourly wage rate of £48 (including non-wage labour costs) and allowing just over two hours for familiarisation with the 24 page guidance, the regulator estimates the one-off costs to be just over £8,000. Ongoing annual costs are expected to be lower; the regulator expects that around ten businesses each year will be inspected and that each of those will re-familiarise themselves with the guidance.

The assessment does not monetise any benefits, but suggests that there may be benefits to business because a more consistent understanding of the inspection regime will reduce regulatory uncertainty.

The RPC confirms that this will be a qualifying regulatory provision with an equivalent annual net direct cost to business (EANDCB) of zero.

Quality of submission

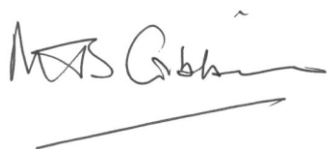
The regulator has provided sufficient information to support the estimated EANDCB. As this is the first Business Impact Target assessment prepared by the ONR, the RPC is pleased to note that the level of detail and evidence included is proportionate for the measure while retaining sufficient information to be considered robust. For more significant changes, the regulator may want to consider quantifying the benefits of sector-specific guidance for those subject to inspections compared to generic guidance. However, the RPC accepts that such an approach may not be proportionate in this case.

Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net cost to business (EANCB)	Zero
Business net present value	Zero
Societal net present value	Zero

RPC assessment¹

Classification	Qualifying regulatory provision (IN)
Equivalent annual net direct cost to business (EANDCB)	Zero
Business Impact Target (BIT) score	Zero
Small and micro business assessment	Not required (regulator assessment)



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

Opinion: EANDCB validation
Origin: domestic
RPC reference number: RPC-3512(1)-DECC-ONR
Date of implementation: June 2016

Michael Gibbons CBE, Chairman