Opinion: BIT assessment

Origin: Domestic

RPC reference number: RPC17-3681(1)-DECC-ONR

Date of implementation: 16th January 2017



Revised guidance – Licence Condition 28 (LC28) Examination, Inspection, Maintenance and Testing Office for Nuclear Regulation

RPC rating: fit for purpose

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 28 (LC28) guidance relates to the examination, inspection, maintenance and testing of all of the aspects of nuclear plants that affect safety. This measure revises the guidance to remove repetition and provide more clarity to the document. The assessment states that the guidance document has been shortened from ten pages to seven pages.

The assessment notes that the aim of the guidance is to ensure inspectors are consistent in their compliance inspection of management systems, 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 LC28 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 and systems engineer of each site to read the new document. The ONR estimates that the manage and engineer will read the seven page long guidance three times to gain full understanding of the document, and that this will take 49 minutes, based on RAS group guidance reading times. Using an hourly wage rate of £47.86 for both individuals, based on ASHE 2015 data, the total one-off familiarisation cost is estimated to be £2,914 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.

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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 and engineer would read the guidance. It would also have helped to include some very brief background on the measure and what specifically the LC28 guidance covers, such that the reader would be able to gain a fuller understanding of the change.

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.