

## Regulator Assessment: Qualifying Regulatory Provisions

<b>Title of proposal</b>	UPDATED GUIDANCE ON THE ASSESSMENT OF THE COMMISSIONING OF SECURITY SYSTEMS AND INFRASTRUCTURE
<b>Lead Regulator</b>	Office for Nuclear Regulation
<b>Contact for enquiries</b>	Chris McEwan, ONR Policy, ██████████ Angus Cameron, ONR Superintending Inspector, ██████████

<b>Date of assessment</b>	22 December 2016 (retrospective)
<b>Commencement date</b>	6 <sup>th</sup> January 2016
<b>Origin</b>	Domestic
<b>Does this include implementation of a Cutting Red Tape review?</b>	No
<b>Which areas of the UK will be affected?</b>	GB
<b>Internal ONR reference</b>	TRIM: 2016/477822

### Summary of costs and benefits

Price base year	Implementation date	Duration of policy (years)	Net Present Value	Business Net Present Value	Net cost to business (EANDCB)	BIT score
2016	06/01/2016	10	0	0	0	0

### Brief outline of proposed new or amended regulatory activity

1. The Office for Nuclear Regulation (ONR) has established security objectives which dutyholders must meet and these are detailed in the National Objectives, Requirements and Model Standards (NORMS) document. The security regime they put in place to achieve these objectives is described in the Nuclear Site Security Plans (NSSPs), prepared by the dutyholders, which are formally approved by ONR on behalf of the Secretary of State under the Nuclear Industries Security Regulations 2003. NORMS is supported by a suite of guides to assist ONR inspectors in their assessment and inspection work, and in delivering regulatory judgements and decisions. This Technical Assessment Guide (TAG) is such a guide.
2. The updated TAG considered in this BIT Assessment provides guidance to aid inspectors on their methodology for assessing the adequacy of the arrangements for, and execution of, Commissioning. It contains general advice and guidance to advise and inform ONR Security Inspectors in exercising their regulatory judgment. Changes to this TAG are focused on providing clarity and advice to inspectors, and they do not place any

additional burden on industry, as the process itself and how regulatory decisions are made remain unchanged.

- a. Commissioning is the activity of setting to work systems and associated infrastructure and ensures all systems and components are designed, installed, tested, operated, and maintained according to the operational requirements of the owner. The principles of commissioning may be applied to existing systems that have been subject to modifications or significant maintenance at their return to service. It should be part of any project regardless of its purpose.
- b. This TAG is aimed at providing guidance to the inspector when assessing the adequacy of the Commissioning arrangements which relate to the performance of the equipment, associated personnel who operate it and the adequacy of the associated procedures to support its operation. This TAG does not address the health and safety aspects of such Commissioning activities.
- c. This TAG is also used to consider circumstances when security equipment is being removed at a dutyholder's site (where the site is being progressively decommissioned for example) and how the resultant change is demonstrated as being fit for purpose.

**Which type of business will be affected? How many are estimated to be affected?**

3. ONR has estimated, based on its dutyholder base (see description below) and the levels of traffic that are received on its website that approximately 31 dutyholders will initially be affected in respect of familiarisation. However, the new guidance may be immediately relevant to any of the dutyholders listed below each year going forward, as any may need to commission or change the configuration of their security systems or infrastructure. Similarly such work may form part of a larger piece of work at site. Therefore it is hard to put a numerical value of this work. Most assessments are carried out on large businesses although a range of sizes of businesses are regulated by ONR.

**Please set out the impact to business clearly with a breakdown of costs and benefits**

4. The direct effects expected relate to one-off and then ongoing familiarisation with guidance documents. However, the expectation is that this work should already be happening as an intrinsic part of a dutyholders Quality Assurance processes, and the content is aimed at ensuring inspectors make consistent regulatory judgements.

ONR regulates the civil nuclear sector, and its main dutyholders are the large entities that own and operate civil nuclear sites in the UK – both in operating and decommissioning phases. The number of dutyholders that could potentially be affected is calculated as approximately 300 with regard to aspects of ONR on-site regulation (this number bounds and encompasses only those regulated for security sites). The portfolio is:

- a. civil nuclear sites holding a site licence and their tenants (31 in total), this group can be broken down in to operating facilities – power stations, decommissioning sites and fuel cycle and waste commercial enterprises;
- b. approved carriers of nuclear material including the domestic transport of nuclear materials by road, rail and sea and the international transport of nuclear and other radioactive materials by UK flagged vessels (20 in total) and,

c. duty holders holding or controlling Sensitive Nuclear information (SNI) (approx. 300 as a baseline level – the number is in constant flux because of the movement of materials and information around the UK).

5. No duty holder is required to read the TAG. However, ONR would expect that around 2% of duty holders (pop. 7) will read the updated guide, based on ONR's website analytics (the number of times similar new guidance was accessed on ONR's website during the first year of it being published).
6. The TAG is six pages long and comprises 1,640 words in total. It could easily be read and digested over 25 minutes (0.417 hours), which would comprise three full reads of the entire document<sup>1</sup>. ONR anticipates from past experience with this type of guidance that a single representative of each of the 31 nuclear licensed sites will voluntarily read the guide for background information at the time of its publication incurring a cost of approximately one duty holder personnel x 0.417 hours x 38 duty holders (7 dutyholders (from para 3) + 31 licensed sites) x hourly rate (est £47.86<sup>2</sup>) = £ £758.40 one-off cost in Year 1.
7. With regard to subsequent years - it is realistic that a number of employees of the duty holder who is subject to this type of assessment may wish to read the TAG for background information. However, given that the behaviour of the regulator and the dutyholder has not been changed, and such guidance (of a near-identical length) would have been read by dutyholder undergoing assessment of Commissioning before it was updated, we do not consider this to incur any additional cost.
8. An intangible benefit is that ONR's approach to how it assesses the adequacy of the arrangements for, and execution of Commissioning will be more transparent to duty holders, and will facilitate (in a small way) our duties under the Regulators' Code. Also, the revisions will facilitate a more consistent ONR approach, which could help promote business confidence, and reduce regulatory uncertainty.

**Please provide any additional information (if required) that may assist the RPC to validate the BIT Score**

9. As the net impact to business is estimated at less than £50,000 per annum, the BIT score is rounded to zero, in accordance with the Better Regulation Framework Manual.

<sup>1</sup> Based on RAS Group Guidance: valuation of guidance gives an estimate of around 200 words per minute, and assuming that three readings are required for understanding (25 minutes, or 0.417 hours).

<sup>2</sup> Based on ASHE 2015 figures for 'professional occupation' of £716.70 per week which we have doubled to £1433.40, given the skilled nature of nuclear assessment work and the profit margins of an operating facility (diversion of labour), over a 36 hr week and uplifted by 20.2% to account for non-wage labour costs