

New internal guidance - Security Assessment Principles (SyAPs)

Department for Business, Energy & Industrial Strategy – Office for Nuclear Regulation

RPC rating: validated

Description of proposal

The Office for Nuclear Regulation (ONR) proposes to introduce changes to the suite of guidance related to security requirements for businesses operating in nuclear industries. The main amendments proposed by the Regulator include:

- Revising, updating and simplifying the main guidance contained in the National Objectives, Requirements and Model Standards (NORMS), which specifies site, personnel, information and transport security arrangements required by legislation.
- Simplifying Technical Assessment Guides (TAGs), which assists ONR inspector in its inspections
- Updating and simplifying the Transport Manual, which sets out standards for transporting nuclear and radioactive material

As a result of the review of NORMS it is proposed to replace it with enhanced guidance which would integrate safety and security assessments. The new guidance *“will be focused to enable dutyholders to be innovative and flexible in how they achieve the high standards of nuclear security required.”* This will allow them to tailor their approach to security and safety to their particular circumstances without having to follow a set of prescriptive rules.

The main objective of the update is to provide businesses operating in nuclear industries with more *“outcome-focused approach to security management”*, allowing them to meet their requirements *“in novel or more proportionate ways”*.

This guidance update is a permissive measure, which means that businesses will not be obliged to implement new recommendations and will only do so if they find them beneficial.

Impacts of proposal

Guidance changes would potentially affect 299 businesses, including site licensees, approved carriers of radioactive materials, and other sites holding Sensitive Nuclear Information.

Familiarisation cost

The IA estimates the total one-off familiarisation cost at £210,000.

The assessment list all new documents and their lengths, which include:

- Security Assessment Principles (SyAPs) - 92 pages and 40 pages of annexes
- Technical Assessment Guidance – 32 documents comprising 526 pages
- Transport Manual – 30 pages

The time needed to read the guidance was calculated using Regulatory Appraisal Subgroup (RAS) Group Guidance methodology, which assumes a reading speed of 200 words per minute and that three readings are required for understanding; this was, then, multiplied by wage rates from ONS's Annual Survey of Hours and Earnings (ASHE) (including uplift of 20.2% to account for non-wage costs).

Implementation cost

The total implementation cost is estimated at £680,000 in present value terms.

The Regulator assumes that:

- all (31) duty holders at civil nuclear sites and 5 Class A approved carriers will, within 3 years, update their Nuclear Site Security Plans (NSSPs); and
- 13 Class B carriers will, within 3 years, update their Transport Plans on introducing new guidance.

Based on consultation evidence, ONR assumed that this process will take around 600 hours per business to complete, but that only half of this time will be additional to the time needed for revisions which would have happened anyway; this is, then, multiplied by the wage rate of £47.86 per hour to arrive at the total cost of £680,000.

Benefits

The IA does not monetise the benefits of the new guidance. The Regulator assumes that businesses will realise savings related to being able to use less expensive solutions to meet security requirements. In addition, the new guidance documents will be less time-consuming to read and, as they are used regularly, will deliver an on-going benefit.

Instead of trying to monetise the actual benefit, ONR took a proportionate approach, estimating a minimum saving required to offset the familiarisation and implementation costs. Having established that 44 hours of time saving was required to balance the aforementioned costs, the Regulator then consulted stakeholders to confirm that this saving is achievable. According to consultees, this is a conservative estimate.

The BIT assessment concludes that the overall net impact of the measure is zero because it is a permissive change.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of zero; this will be a qualifying regulatory provision, scoring under the business impact target.

Quality of submission

This assessment is of high quality: ONR presents the analysis very clearly and provides a detailed explanation of the methodological approach and assumptions used. It identifies all relevant monetisable costs and, in accordance with RAS Group Guidance, quantifies them. The Regulator takes a proportionate approach to discussing benefits which cannot be monetised – we liked the specific reference to comments from stakeholders. The assessment could, perhaps, have been briefer and remained proportionate, but it presents a complex set of changes very clearly.

Departmental assessment

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

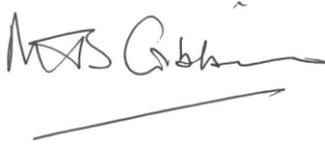
RPC assessment

Classification	Qualifying regulatory provision (OUT)
EANCB – RPC validated ¹	Zero
Business Impact Target (BIT) Score ¹	Zero

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

Opinion: EANDCB validation
Origin: domestic
RPC reference number: RPC-3625(1)-DECC-ONR
Date of implementation: April 2017

Small and micro business assessment	Not required
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