

Taunton Deane Borough Council

Full Council – 31 March 2015

NEW NUCLEAR PROGRAMME MANAGER – UPGRADE OF POST TO ASSISTANT DIRECTOR

Report of the Director - Growth

(This matter is the responsibility of The Leader of the Council – Cllr John Williams)

1. Executive Summary

The purpose of this report is to recommend that Taunton Deane Borough Council, as employing authority within the joint management and shared service arrangement with West Somerset Council, approves a proposal to upgrade the post of New Nuclear Programme Manager to that of an Assistant Director.

West Somerset Council approved the proposal on 18 March 2015. This approval was set in the context of the latest position on the Hinkley Point C project and related staff resources. This position is summarised in the appended background paper.

Although the new Assistant Director post will serve on the Joint Management Team of the two authorities, it will have no financial impact on Taunton Deane Borough Council, being wholly funded by West Somerset Council through financial contributions from EDF Energy.

2. Background

- 2.1 The post of New Nuclear Programme Manager (NNPM) was created at the request of West Somerset Council, when the new shared service structure for Taunton Deane and West Somerset was established in January 2014. This reflected the continuing importance attached by West Somerset Council to its corporate priority of securing maximum benefit and lasting legacy from the new nuclear development at Hinkley Point.
- 2.2 With the current arrangement having now run for over a year, members are advised that a number of key developments which, collectively, raise the need to review the NNPM post and its remuneration within the joint management

structure of West Somerset and Taunton Deane Borough Councils. Key developments have included:

- The NNPM post joining the Management Team of the two councils. This reflects the corporate importance attached to the role and the need for 'whole authority' awareness and response to the opportunities and issues related to the nuclear new build programme.
- The post becoming increasingly the first point of contact with Government and the Local Enterprise Partnership for all matters relating to new nuclear programme.
- The larger team that the NNPM post will now be responsible for, as summarised in the appended background paper.

2.3 West Somerset Council approved the proposal (on 18 March 2015) that the NNPM post be upgraded and renamed as **Assistant Director – Energy Infrastructure**, with effect from 1 April 2015. The title of the proposed Assistant Director post is designed to encompass the primary role of the new nuclear programme, as well as wider energy infrastructure projects such as the National Grid Connection Project and potential tidal lagoon power in the Bristol Channel.

2.4 A staffing structure reflecting the above is appended to this report.

2.5 The Assistant Director – Energy Infrastructure will be remunerated on the same basis as other Assistant Director posts. The financial implications of this are outlined in the next section.

3. Finance Comments

3.1 The proposed post will be 100% funded by West Somerset Council, through its financial contributions from EDF Energy.

Further finance comments are provided in the appended background paper. The financial implications of the proposed upgrade are built in to the financial information provided in the background paper.

4. Legal Comments

4.1 The various legal implications and decisions required to ensure legal compliance are set out in the appended background report.

5. Links to Corporate Aims

5.1 This proposal makes an important contribution to the Council's priority for

economic development and growth. As a wholly West Somerset Council funded post (via contributions from EDF Energy), members are also advised that the post plays a critical role in advancing West Somerset Council's priority to secure maximum economic benefit and lasting legacy from the Hinkley Point C New Build project.

6. Environmental and Community Safety Implications

- 6.1 A number of the schedules within the Hinkley Point C section 106 agreement deal with the various environmental impact implications of the proposed development. The contributions themselves are part of a comprehensive range of measures set out in the Environmental Statement which accompanied the Development Consent Order application.
- 6.2 Members will note the considerable support to the community safety area (both internally and with other emergency services and partner Councils) which will ensure that any crime and disorder implications of the Site Preparation Works application are minimised.

7. Equalities Impact

- 7.1 A comprehensive Equalities Impact Assessment has been carried out on this proposal. Details are referred to in the appended papers.

8. Risk Management

- 8.1 A risk assessment has been carried out and is referred to in the appended background paper.

9. Partnership Implications

- 9.1 The Hinkley Point project has a wide range of collaborative partnerships that operate within different work streams and are attended by West Somerset Council, Sedgemoor District Council, Somerset County Council, EDF Energy and other partners as appropriate. The proposed post and supporting team is intended to service these partnerships and enable West Somerset Council to continue to influence and participate in joint working and decision making.

10. Recommendation

- 10.1 Full Council is **recommended** to approve the proposal to upgrade the post of New Nuclear Programme Manager to that of Assistant Director – Energy Infrastructure, with effect from 1 April 2015.

Appendices:

- A Reporting arrangements for Assistant Director – Energy Infrastructure
- B Background Paper on New Nuclear Programme Team
- C Structure of New Nuclear Programme Team
- D Equalities Impact Assessment

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Appendix B

West Somerset and Taunton Deane Joint Management and Shared Services Project

Background Paper (For Information)

Management and Shared Services Structure for the New Nuclear Programme Team

Executive Summary

This report outlines proposals for the structure for the complete New Nuclear Programme Team which is being developed independent of the JMASS Project, as the structure is funded solely from staff payments secured by the Hinkley Point C Section 106 agreements – payable to West Somerset Council. West Somerset Council's Full Council on 18th March 2015 approved the allocation of Section 106 agreement income to create the financial envelope to deliver the New Nuclear Programme Team.

The report proposes a new structure for the Hinkley Point funded posts which have historically been 'dispersed' within the existing WSC structures. None of the posts set out in this report, other than the New Nuclear Programme Manager which is part of the Joint Management Team, feature in any other Joint Management and Shared Services Structure.

As the structure set out in this report is funded solely from the Hinkley Point C Section 106 agreements, rather than deliver savings to the Councils, the main objective is to demonstrate that the New Nuclear Programme Team is self-financing and does not rely on financial support from the either WSC or TDBC General Fund Reserve or their respective budget positions. The proposed structure achieves this and, as agreed with EDF Energy, a review of funding position and workload will be undertaken in April 2017 when approximately £1.6m of income from the Section 106 agreements will remain.

Due to the profile of activity which is anticipated now, rather than that predicted at the time when the Section 106 agreements were negotiated, some changes to the structure and focus of roles as they existed historically are proposed. EDF Energy have agreed to this change in approach which reflects the needs of the project at this time. Importantly the obligations placed on West Somerset Council within the Section 106 agreements can all be met by the proposed structure.

As employing authority within the joint management and shared service arrangement, TDBC members are advised that the posts identified within this report will be added to the 'One Team' staffing structure.

1. The New Nuclear Project Team Staffing Structure

1.1. Overview

The structure is intended to deliver West Somerset Council's obligations set out in the Hinkley Point C Section 106 agreements while delivering the New Nuclear related Corporate Objectives set out within WSC's Corporate Plan and the tasks within the New Nuclear Programme Team's Service Plan.

The structure has been designed to ensure that an appropriate balance is struck between maximising the opportunities for local people and businesses, protecting key industries including tourism, supporting affected communities, discharging planning functions and ensuring that local people continue to have access to housing whilst the construction of Hinkley Point C takes place.

The structure will see 12 FTE's / 13 Posts (including the New Nuclear Programme Manager) funded until at least April 2017 when a review with EDF Energy will be undertaken to assess remaining finances and the workload remaining. The majority of the posts, subject to the review, will be funded until the financial year 2019/20.

1.1 Affordability

Indicatively, the total income from the Section 106 agreements totals £2,812,572 while predicted expenditure without the review with EDF Energy would be £2,782,842. The review with EDF Energy will take place while £1,600,000 remains. Members will note that any unspent monies would have to be returned to EDF Energy in accordance with the Section 106 agreements so it is appropriate for predicted expenditure to closely match predicted income. Members will recall that the Council is obliged to spend this money only on employing staff in accordance with the Section 106 agreement and cannot use the money for any other purpose.

The income sums are not fixed as they are affected by Indexation which is applied as and when payments are due to be made, a precautionary approach has been taken to calculate predicted income.

Predicted expenditure has been calculated anticipating salary payments, national insurance and pension contributions. Anticipated wages increases and redundancy costs have also been built into ensure that the New Nuclear Programme Team is not reliant on the General Fund at any stage. Finally mileage costs have been factored in and an appropriate contribution towards the corporate core (running costs) of the Council and central services (such as IT and HR) has also been built in.

The Council's Leadership Team (JMT) has considered two issues which would affect affordability. Firstly in the area of customer services. Whilst the legal agreement does provide a contribution towards a customer services post, in reality this is unlikely to be area that experiences pressure and it would be very difficult to separate out contacts that were made purely as a result of the Hinkley Point C development. Overall, it was agreed by the Leadership Team that an additional customer services post is not required. In response to consultation, a one-off contribution will be made to the customer services team to assist with creating capacity.

In a similar light, there will be occasional instances when support to register planning submissions will be needed. This area is one where the delay in the project has provided some benefits as the workload has been spread out and it is anticipated that occasional support from the Growth and Development Business Support team could be provided without the need to create a specific post in that area.

1.2 Constraints

The Site Preparation Works Section 106 agreement stipulates that West Somerset Council will use reasonable endeavours to determine applications to discharge planning conditions within 5 weeks of details being submitted. Whilst the majority of the conditions on the planning permission have been discharged some remain and this obligation still applies.

In a similar light, the Development Consent Order provides that the determination time for Minor requirements will be no more than 5 weeks and the determination time for Major requirements will be no more than 8 weeks. The proposed structure includes both a Planning Officer and a Planning Lead to ensure that these targets are met.

The Section 106 agreements also place requirements on the Council to report a wide range of information to various decision making meetings with EDF Energy and the other Councils involved in the project. In addition an obligation requiring the Council to submit both periodic and annual financial reports detailing what has been spent and what remains of the contributions that have been paid.

1.3 Overall Programme Management

The New Nuclear Programme Manager role was incorporated into the Joint Management Team structure as part of the JMASS project. Reporting to the Joint Chief Executive and working alongside the Director of Growth and Development as part of the Growth and Development Management Team, the New Nuclear Programme Manager is part of the Leadership Team (JMT) for both Councils and remains the key point of contact with senior personnel at EDF Energy and other Councils.

Functions and staffing arrangements of the wider programme team are set out below, for information only. TDBC members are advised that recruitment to all posts detailed below is now under way.

1.4 Planning Service

The Hinkley Point C project remains grounded within the planning process, the power station received Development Consent in March 2013 which followed the grant of planning permission for Site Preparation Works in 2012. The development remains subject to the consideration of a wide range of Requirements (planning conditions) which have yet to be considered and there will undoubtedly be the need to consider on a regular basis proposals for relatively minor changes to aspects of the project and planning expertise will be needed to assess and agree the best way of handling those changes.

As the project develops and more communities are affected there will be an increasing need for monitoring to take place to ensure that the development continues to accord with the approved plans and strategies. The level of explanation and interpretation required to explain aspects of the project to the community should not be underestimated and this will largely fall on the planning service.

2 FTEs will be created, namely a Planning Lead role and a Planning Officer role. The Planning Lead will line manage the Planning Officer, the EHO and the CIM Fund Manager.

1.5 Environmental Health Service

As activity on the Main Site at Hinkley Point continues to increase environmental monitoring and liaison between EDF Energy and the local communities will become more important. A focus for this role will be to ensure that best practice continues to be employed on the Main Site to minimise light, noise and dust impacts.

Since 2012 the existing Environmental Health team has absorbed the work associated with Hinkley Point and an Environmental Health Officer has been paid an honorarium to acknowledge the increased workload associated with supporting this unique development. The Environmental Health Team as part of One Team does not have capacity within existing resources to take on the increased activity that is required in this key area.

A new part time 0.6 FTE EHO post will be created within the NNPT which will be dedicated to the Hinkley Point project.

1.6 Community Safety Service

In a similar context as activity on the Hinkley Point project builds there will be an increasing need to work closely with other agencies on community safety and cohesion initiatives. The community safety team as part of the One Team does not have capacity within existing resources to take on the increased activity that is required in this area.

A new part time 0.4 FTE Community Safety Officer post will be created within the NNPT which will be dedicated to the Hinkley Point project.

1.7 Community Funding Service

The Council performs a very important role in administering the Community Impact Mitigation Fund on behalf of all the Local Authorities and EDF Energy. The combination of the Section 106 agreement and the Councils own internal processes for releasing funds results in a constant cycle of meetings and reports to support those meetings. As money is released the need to liaise with and monitor spend given to 3rd parties will increase.

Until October 2014 the CIM Fund work was managed by the former Major Projects Manager who balanced this with overseeing the planning service described above. Since October 2014 a dedicated CIM Fund Manager has been in post which has enabled the post holder to focus solely on managing the CIM Fund process without needing to manage competing priorities.

A CIM Fund Manager post (1 FTE) will be created within the NNPT.

At present a member of staff is seconded into the CIM Fund Manager role, given that this role will continue for a much longer period of time than originally intended the role will be advertised.

1.8 Economic Development Service

There are 3 FTE posts performing Hinkley Point related activity which have in place since 2012. A renamed Economic Development Project Lead, a Tourism Officer and a Skills and Training Outreach Officer.

The work within these areas continues and evolves as the Hinkley Point C project is delivered, although the work will in essence be very similar. All three existing post holders will be slotted into these roles.

The income from the Section 106 agreements allows for the renamed Economic Development and Tourism Manager post to be funded as part of the NNPT. The work of the post holder has

been very focused on the Hinkley Point project over the last five years and the contribution of the post holder is recognised by both the Council and more particularly by EDF Energy who value the results which the post holder and the 3 FTEs have been delivering over the last 3 years.

The Economic Development and Tourism Manager post will not be funded from the Hinkley Point C project during 2015/16 as the current post holder is seconded to the Local Enterprise Partnership and will continue to be paid from the Working Neighbourhoods Fund until 31st March 2016 once the secondment period ends.

1.9 Housing Service

The current Housing Initiatives Implementation Officer post will be slotted in as the work of this role continues and continues to be required to ensure that there is minimal adverse effect on the Housing market in West Somerset.

The current Housing Options Advice Officer will be slotted in for the same reasons. This post is part funded by the Hinkley Project 0.4 FTE and part funded by the General Fund 0.6 FTE. This funding model will continue.

1.10 Finance Service

The current Hinkley Finance Officer will be slotted in as the work of this role continues and is fundamental to the safe management of the project which sees over £20million paid to WSC.

2 Consultation

2.1 The New Nuclear Programme Manager has undertaken consultation with relevant West Somerset Council Portfolio Holders, affected staff and UNISON in drawing up this structure, as well as having discussions with EDF Energy.

2.2 The New Nuclear Programme Team structure was approved by West Somerset Council on 18 March 2015 and is attached as Appendix C, for information.

3 HR comments

3.1 The New Nuclear Programme Manager has discussed the proposals with HR to seek advice on the structure, job evaluation and ring fence arrangements. In drawing up these plans he has sought to create an effective structure with no redundancies in accordance with the requirements placed on the authorities.

4 Financial comments

4.1 The Nuclear Programme Team will be funded by EDF under the s106 agreement. Under the revised agreement, EDF has agreed under the Development Consent Order (DCO) to pay the Council a total of £2,603,502 for staff resources to deal with the workload generated by the project. In addition, it has been agreed with EDF to add the remaining £209,000 from the Site Preparation Work to the DCO funding. This means that the total income and therefore the total cost envelope for the Nuclear Programme Team is £2,812,572.

- 4.2 The indicative total expenditure of this proposal is £2,782,842. This figures include the cost of the following:
- i. Salary, National Insurance and Pension Contributions;
 - ii. Anticipated wages increases;
 - iii. Mileage costs
 - iv. Redundancy costs;
 - v. Contribution to the Corporate Core Costs of the councils
- 4.3 This approved proposals show that the fund will have £29.9k remaining at the end of the project. Any unused funding will be paid back to EDF. There will be a review, as agreed with EDF, in April 2017 to consider the workload, staff resources and ensuring that the funding is being used effectively.
- 4.4 There is no impact on either Councils' General Fund Reserve or their budget position as a result of this proposal.

5 Equalities Impact Assessment

Under the Public Sector Equality Duty, there is a requirement to carry out an analysis of the effects on equality of existing and new policies and practices. This includes the effect on employees as well as the community

Please see Appendix D for Equalities Impact Assessment.

6 Risk management

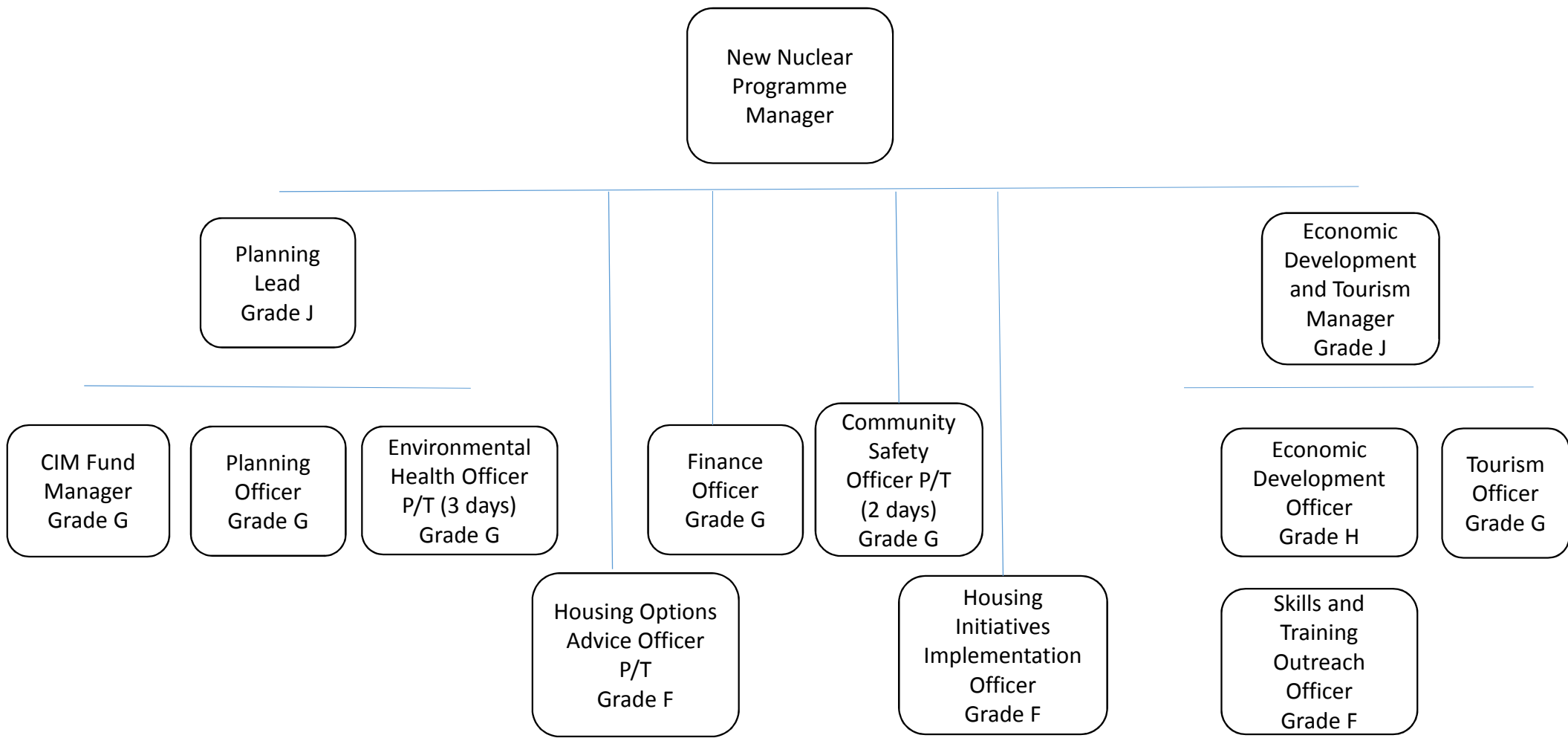
The key risks identified for the proposals within this report are as follows:

Description	Likelihood	Impact	Overall
That the Council does not have the necessary staff resources to fulfil the requirements placed upon it within the Section 106 agreement generally	3	4	12
<i>The proposed structure provides stability over the coming years in order that the Council achieves its Corporate Objectives relating to the development at Hinkley Point C</i>	1	4	4
That the staff resources are not used effectively and do not deliver the right balance between maximising the opportunities of local people and businesses and protecting and enhancing the most affected communities	3	4	12
<i>The structure has been designed to ensure that an appropriate balance is struck between maximising the opportunities for local people and businesses, protecting key industries including tourism, supporting affected communities, discharging planning functions and ensuring that local people continue to have access to housing whilst the construction of Hinkley Point C takes place.</i>	1	4	4
That the staff resources are used to employ staff at the wrong time i.e. before the work to construct the power station are confirmed following the Final Investment Decision	4	4	16
<i>That the Council remains vigilant and tracks progress on the project at regular intervals to ensure that resources are deployed at the right time, recognising that in most areas delivery of mitigation 'early' is a positive outcome but also recognising that in some areas staff will be needed to oversee the project between now and the 'peak' when activity on site and the workforce are greatest</i>	3	4	12

Each of these risks needs to be actively managed. On the whole, the risks have been assessed as acceptable and through mitigation can be further managed to reduce the likelihood and impact.

7 Partnership Implications

The Hinkley Point project has a wide range of collaborative partnerships that operate within different work streams and are attended by WSC, Sedgemoor District Council, Somerset County Council, EDF Energy and other partners as appropriate. The structure proposed is intended to service these partnerships and enable the Council to continue to influence and participate in joint working and decision making.



Equality Impact Assessment – pro-forma

Appendix D

Responsible person	Andrew Goodchild	Job Title	New Nuclear Programme Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service		
	Change to Policy/service		Y
	Budget/Financial decision – MTFP		Y
	Part of timetable		
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Structure of New Nuclear Programme Team		
Section One – Scope of the assessment			
What are the main purposes/aims of the policy/decision/service?	The aim is to create a fit for purpose structure for the New Nuclear Programme Team to deliver the Councils obligations within the S106 agreements, deliver on Corporate and Service Plan objectives and to be affordable within the monies available		
Which protected groups are targeted by the policy/decision/service?	<i>None</i>		
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	<p>Data – what does this tell you</p> <p>1. Characteristics of the affected staff group – clear numbers involved for each category</p> <p>Engagement undertaken that has been used to support data and identify impacts:</p> <p>1. Consultation with UNISON on development of proposals and plans for implementation</p> <p>2. Consultation with affected staff group</p> <p>3. Consultation with the Portfolio Holders responsible for these service areas.</p> <p>Data available within HR systems and with Project Team</p>		
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality			

The proposals may have the following impact:

Women

Of the 7 staff affected, 4 are women. All existing staff are proposed to be slot-ins so there are unlikely to be any unequal outcomes. There are a range of vacant posts, none of these would be in any way restricted.

Mobility Impairment

The proposals will require staff to be capable of working in different locations. No mobility impairment issues have been identified for those affected; however reasonable workplace adjustments would be considered if required in line with Council policies.

I have concluded that there is/should be:

No major change - no adverse equality impact identified	Yes
Adjust the policy/decision/service	No
Continue with the policy/decision/service	But ensure that final outcomes are monitored and that if external adverts are required, they are placed in media which will ensure that female, ethnic minority and candidates with a disability are reached. Ensure HR policies and procedures are adhered to.
Stop and remove the policy/decision/service	No

Reasons and documentation to support conclusions

The negative impacts will be mitigated by the actions set out above whilst ensuring HR policies are adhered to.

Section four – Implementation – timescale for implementation

The proposed structure would go live on 1st April 2015, the vacant posts would be filled as required.

Section Five – Sign off

Responsible officer: Andrew Goodchild

Date: 10.3.2015

Management Team

Date

Section six – Publication and monitoring	
Published on: 11.3.2015	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table						
Service area				Date		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	