APPLICATION BY SUFFOLK COUNTY COUNCIL FOR AN ORDER GRANTING DEVELOPMENT CONSENT FOR THE LAKE LOTHING THIRD CROSSING



PFK LING LIMITED

WRITTEN SUMMARY OF ORAL SUBMISSIONS MADE AT
THE SECOND DRAFT OF THE DRAFT DEVELOPMENT CONSENT ORDER
ISSUE SPECIFIC HEARING 1: DRAFT DEVLOPMENT CONSENT ORDER AND
COMPULSORY ACQUISITION HEARING 1

PINS REFERENCE: TR010023



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INTRODUCTION

1. This is the written summary of the oral submissions made on behalf of PFK Ling Limited ("Lings") at Issue Specific Hearing 1: Draft Development Consent Order ("ISH1") and Compulsory Acquisition Hearing 1 ("CAH1") in relation to the application for a development consent order by Suffolk County Council ("SCC") under the Planning Act 2008 ("PA 2008").

THE SECOND DRAFT OF THE DEVELOPMENT CONSENT ORDER

- 2. The Second Draft of the Development Consent Order ("2dDCO") continues to include in Part 3 proposed powers of compulsory purchase of the "Order land" including parts of the land owned by Lings notwithstanding the shortfall or gap in funding of land acquisition and absence of justification for the areas envisaged to be taken.
- 3. The areas of Order land are identified by descriptions in the book of reference.

ISH1

AGENDA ITEM 5

POTENTIAL DUST NUISANCE ARISING FROM CONSTRUCTION AND MAINTENANCE

- 4. It is common ground with the Applicant that the proposed situation of Lings adjacent to the proposed Southern Approach to the proposed bridge will result in dust engendered by construction works for the erection of the bridge on adjacent land falling upon the vehicles kept on the directly adjacent Lings' land for sale and that those vehicles must remain in a polished dust free state for the purposes of their sale to third parties as an integral part of Lings' ongoing business operation from its land occupation.
- 5. In its previous written submission, Lings highlighted the potential for nuisance, arising from dust caused by the envisaged adjacent works, to Lings' vehicles which are required to be maintained in shiny condition.
- 6. Article 54(1) currently proposes a defence limited to noise nuisance. Evidently, bridge construction works would be noisy and affect the adjacent open air retail environment of Lings' land for the purposes of vehicle sales. Lings propose that the hours of operation of construction work be limited to exclude weekends (when people commonly visit its location to purchase vehicles) and that such a requirement in a construction management plan would strike the right balance

between proposed construction works and an ongoing business operation that relies on an external adjacent location for the purposes of retail sales.

- 7. It is common ground with the Applicant that the scope of Article 54(1) cannot extend beyond noise nuisance. The Environmental Protection Act 1990, section 79(1)(d), creates a statutory nuisance in relation to "any dust" arising on business premises and (e) any accumulation or deposit which is prejudicial to health or a nuisance.
- 8. Further, presently, Requirement 4 in Part 1 of Schedule 2 makes <u>no express</u> provision to provide for a scheme of dust suppression nor for a scheme of recording vehicles kept on Lings' land required to be cleaned of dust (likely a number of times daily) from the construction of the authorised development nor financing of the same. Such schemes are a practicable solution to enable construction works in close proximity to a retail sales environment that is particularly sensitive to dust (dusty vehicles deter retail sales).
- 9. At ISH1, Lings expressed concern about the proposed <u>disapplication</u> of section 158 of the PA 2008 and requested that:
 - (a) Article 3(1) be amended so as to include a new "(f)" that reads:"section 158 of the 2008 Act shall not apply in relation to HM Title SK 245 554";
 - (b) Schedule 2, Part 1, Requirement 4, Code of Construction Practice, include an express requirement to include a "dust management scheme" relating to Lings' land and that includes provision for ensuring dust suppression during demolition and construction works relating to the authorised development and a system for recurring identification of dust affected vehicles and their cleaning, together with financing of the same. Such a scheme would enable the potential defence of "best practicable means" to be tested in the event of proceedings for dust nuisance affecting vehicles for sale on HM Title SK 245 554 during construction.
- 10. Following the clarification offered by the Applicant to the Examining Authority ("ExA"), with regard to the request at paragraph 9a) above, Lings is content that S.152 of the PA 2008 can accommodate dust nuisance and that the matter is now resolved.
- 11. The amendment requested at paragraph 9b) above is necessary and would ensure that the sensitivity of Lings' situation to dust is preserved so far as may be practicable during construction works and, subsequently, during any maintenance (following construction and during the life of the bridge) of the authorised development, and may otherwise operate to have limited the Applicant's exposure

to compensation claims made pursuant to S.152 of the PA 2008. Lings understands from the Applicant that the proposed solution could not limit in some way the potential compensation claim from dust and categorised it as falling within the scope of "injurious affection".

AGENDA ITEM 4

- 12. By proposed Article 22(1), a power would arise to acquire compulsorily land. By Article 22(2), Article 22 is proposed to be subject to Article 25. The Applicant has submitted a previously approved Outline Business Case and a Funding Case but whose terms make no provision for third parties to bear any liability for acquisitions.
- 13. However, important new provisions in Article 25(2)-(3) and (5) propose to entitle as yet <u>unidentified</u> third parties ("a statutory undertaker"), of as yet unidentified means (if any), to acquire land. The scope, nature and financial status, of those third parties remains unknown. It is also not known at this time whether such third party or parties can provide for compensation required to be paid pursuant to the exercise of those powers or on what terms this will be done. Consequently, these new provisions should be deleted. See paragraph 16-17 of "Planning Act 2008, Guidance related to procedures for the compulsory acquisition of land" and which state: (Emphasis added)
 - 17. Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it <u>will</u> be funded. This statement should provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required.
- 14. No statement has been provided showing <u>whether or how</u> the unidentified third party will fund <u>its</u> proposed potential exercise of the envisaged compulsory purchase powers. In such a situation, and which is recognised as occurring, the Secretary of State has provided for an orthodox solution in paragraph 16 of his particular guidance concerning the Planning Act 2008 (and not the TCPA 1990) which provides: (Emphasis added)
 - 16. There may be circumstances where the Secretary of State could reasonably justify granting development consent for a project, but decide <u>against</u> including in an order the provisions authorising the compulsory acquisition of the land.
- 15. At ISH1, James Dewey of Gateley Hamer on behalf of Lings, sought clarification from the Applicant regarding the proposed powers now being proposed to be conferred to Cadent and the checks and balances that would be in place to control the gas pipeline works on Lings' land (in particular Plots 3-32 and 3-50) and whether Cadent would <u>also</u> be bound by any agreements between the Applicant and Interested Parties. Lings' welcome the clarification of the Applicant's position in

its written summary of its oral representations and ask that written confirmation of this position is provided.

CAH1

AGENDA ITEM 9 FUNDING

- 16. At CAH1, Lings brought to the ExA's attention that the Applicant is required to provide a statement explaining how compulsory acquisition "will be funded" (Paragraph 17 of the Secretary of State's Guidance (September 2013)) but as yet, the Applicant can only demonstrate how compulsory acquisition might potentially be funded.
- 17. In pursuing this line of enquiry, Lings is treading an orthodox path in seeking to establish the relevant certainty of funding today (as opposed to the TCPA 1990 "general intentions" where a lot less certainty is necessary. See, for example, page of the Guidance on Compulsory Purchase Process and The Crichel Down Rules (February 2018) concerning section 226 of the TCPA 1990 at paragraph 14, page 13, and paragraph 106, page 50, bullet 3.
- 18. However, different guidance is relevant to a cpo proposed under the Planning Act 2008 for a nationally significant infrastructure project and a different standard of funding is required. This is a DCO after all. In this respect, see Appendices A (Tilbury 2- Ex A report, see paragraphs 7.5.12 7.5.14), B (Tilbury 2 Rep 3 025) and C (Manston DCO Ex A questions, see F.1 and in particular F.1.2-8) all concerned with establishing "is" and not "likely". In particular, these documents show that, to satisfy paragraph 17 of the Panning Act 2008 guidance, actual present funds must be confirmed as available (even if they may be drawn down in due course).

Only relevant extracts have been provided but full copies of the documents can be provided on request

- 19. That Lings' is approaching the envisaged <u>present</u> funding gap in an orthodox manner, whereas the Applicant persistently does not and cannot address this as required by the Planning Act 2008 guidance, is further illustrated by the following:
 - a) The A303 DCO, section 51 advice requiring Highways England to ensure their funding covered compensation at Item 6: "The Applicant is requested to provide an addendum to the Funding Statement which is concerned specifically with the <u>availability</u> of funds for Compulsory Acquisition/ compensation for the proposed development." (see Appendix D) and contrasted with the below where Government funding is proposed to be relied upon.

b) The Wylfa DCO, see the questions around page 26 and 27 (for example, Q2.4.56) of Appendix E and Horizon's responses at (for example) Q2.4.53 and Q2.4.56 (Appendix F).

Appendices E and F provide relevant extracts only but full copies of the documents can be provided on request.

- 20. As identified at paragraph 79 of Lings' Written Representations (document reference RR-012) there is current actual evidence before the ExA of <u>both</u>:
 - (a) An actual financial shortfall in the authorised funding of the Scheme itself by some £8.3m; and
 - (b) An actual financial shortfall in the authorised and available funding for necessary land acquisition of some £8m.
- 21. Recognising this difficulty, the Applicant has sought to rely on evidence (S151 Officer's letter) in Appendix E of its document reference TR010023-000819 to assert that the Scheme "will be funded".
- 22. The S151 Officer's letter confirms at its highest that SCC <u>is prepared to</u> underwrite the shortfall in the authorised and available funding for necessary land acquisition of some £8m. However, such a preparedness is below the threshold of certainty required by the Secretary of State to justify authorisation of a cpo under (not the TCPA 1990 but) the Planning Act 2008.
- 23. As detailed at paragraphs 115 128 of Lings' Written Representations (document reference RR-012), as long ago as on the 19th June 2018 SCC's Cabinet was informed of this upward pressure of £8m due to land acquisitions to the then date.
- 24. Paragraph 10 of the Cabinet report noted that: (Emphasis added)
 - Cabinet will make a final decision on any additional funding that may be required prior to the award of the stage 2 construction contract in Autumn 2019.
- 25. Therefore, as at 22nd February 2019, the Applicant is not in a situation where it can know whether the funding gap can in fact be closed, and authorised to be closed. The ExA (and in due course, the Secretary of State) cannot be in a better position today than the Applicant. Further, the SCC Cabinet then resolved to make Decision 2: (Emphasis added)

Acknowledged the current expenditure projections in paragraphs 8-11 and asked that the Assistant Director of Infrastructure and Waste <u>manage the project to contain</u> the requirement for additional funds and report back to Cabinet in the Autumn of 2019 with a definition budget requirement.

This resolution in fact evidences the absence of any foreseeable additional funds beyond the Scheme cost and that any further funds could only derive from costs savings in build costs ("manage the project to contain the requirement"). Therefore, the ExA and Secretary of State can reasonably anticipate no further, and no further authorised, funds for land acquisition above the sum of the authorised Scheme Cost.

- At CAH1, somewhat surprisingly but recognising the funding gap situation, the Applicant encouraged the ExA to rely on the S151 Officer's letter (Appendix E of document TR010023-000819). That letter is evidence of <u>absence</u> of funding and not the <u>presence</u> of funding. It includes no evidence of any successful application for funding or confirmation from the relevant authority of actual availability of funds today or when they are known to be available for drawdown for the proposed project.
- 27. Lings' also queried whether the S151 Officer's letter provides authorisation for the additional funding or whether it is simply a statement that the Council would be prepared to provide the additional funding without proper and lawful authorisation. Ling's further queried whether the S151 Officer has the authority to authorise the additional funding.
- 28. As the Applicant will have known, and Lings has now verified the legal position, Part 3: Officer Delegations of SCC's Constitution (Appendix G) paragraph 2 of "Officer Delegations" confirms: (Emphasis added)

"In addition to the constraints referred to above, there are exceptions to all officers' delegated powers. In particular there is no delegation to officers of:

- (a) <u>matters specifically reserved to members by resolution of Council or the Cabinet;</u>
- 29. Therefore, the S151 officer letter cannot have authorised any additional funding for the project nor held out the Cabinet as doing so. This is because, as a consequence of the 19th June 2018 Cabinet resolution to defer its decision on the increase in funding for land acquisition costs to the Cabinet in Autumn 2019, the S151 Officer cannot have authority presently to authorise an increase in expenditure as the Appendix E letter implicitly asserts. Therefore, it remains the situation in late February 2019 that, to date, the Applicant has not provided a Funding Statement that states how the project "will be funded".
- 30. Lings had invited the ExA at CAH1 to recommend to the Secretary of State to confirm the proposed DCO without powers of acquisition at this time and this remains the case. See paragraph 16 of the Planning Act 2008 Guidance on CPOs.

- 31. The fulcrum nature of funding to the project as a whole, and the absence of certain funding today for the whole project, was confirmed by the Applicant when it announced to the ExA that the DCO project could not proceed without the CPO at this time. The mismatch between the Applicant's ideas for a new bridge and its ability to fund its ideas is noted by Lings and indicates poor project planning also because the absence of funding for the whole project has been known to the Applicant for some years now. The Applicant exhausted the land acquisition budget in its agreement with Dahlia Properties (Jersey) Limited (Plots 1-06 and 2-07) and has been alive for over a year now to a funding gap, as well as the Secretary of State's paragraphs 16 and 17 guidance.
- 32. At CAH1, the Applicant informed the ExA as a piece of transport infrastructure it would not be possible to delay the CPO elements of the DCO to a later date. If, as advanced now for the first time by the Applicant, the DCO is actually parasitic on the CPO then the logical consequence must be that the presumption is favour of granting the DCO is now rebutted by the evidence of a funding gap and the Applicant's recent representation of the linkage between the DCO and the CPO, and the ExA is requested to find and to recommend that the DCO cannot be approved in the absence at this time of both necessary and authorised funding for the land acquisition.
- 33. Lings also reserves its right to apply for the costs of its Objection in light of the above.

AGENDA ITEM 6 OTHER PARTIES WHO MAY BE AFFECTED BY THE PROVISIONS IN THE dDCO

- 34. At CAH1 Mr James Dewey made representations on behalf of Lings.
- 35. Mr Dewey highlighted areas in which Lings had requested further clarification as to the need to acquire certain plots of land but an adequate explanation had not been provided in the Applicant's Responses to Written Representations.
- 36. As Lings try to remain in situ during the works, and post completion of the scheme, the proposed use of each plot is critical to limiting the impact on the business. Whilst some issue may appear minor the knock on effects could be considerable.
- 37. As set out by the ExA at the opening of CAH1 the Applicant, under MHCLG guidance, three tests need to be met before powers of compulsory acquisition are confirmed:
 - a) The acquiring authority must have a clear idea of how the land/rights are to be used

- b) The acquisition of land/rights must be limited to those required to deliver the scheme
- c) The use of CPO powers must be as a last resort and where no viable alternative exists.
- 38. It is under these tests that each individual plot is considered.

Plot 3-32

- 39. Both the 2dDCO and the Statement of Reasons state that rights over the plot are required for the provision of a private means of access (for new access to Premises). The Applicant's response to the written representations does not deal with this issue and it is not clear what, if any, private means of access is being created.
- 40. Mr Dewey has sought confirmation from the Applicant as to whether the Plot is required for the provision of a private means of access and if it is, who the access will benefit.
- 41. Since CAH1, Mr Dewey has also queried the area of land over which rights are required which may be excessive particularly considering the size of the adjoining rights plots. He has sought confirmation of the need for such a large area of land and whether rights will be required over the whole area.
- 42. We are not satisfied that the tests have been met in relation to this plot.

Plot 5-10

- 43. No explanation is given as to the Private Means of Access that is required for this plot. Since CAH1, Mr Dewey has sought confirmation that rights in relation to a Private Means of Access are actually required and if they are, who requires a private means of access over this plot and for what purposes.
- 44. No explanation or clarification has been given and we are not satisfied the tests have been met in relation to this plot.

Plot 5-14

45. In the Applicant's response to the written representations it is stated that this plot is only required for works on Lings' land for the benefit of Lings. Plot 5-14 will become Lings' primary means of access and Mr Dewey has expressed concerns about any work being undertaken within plot 5-14. If the plot is required for the benefit of Lings and Lings are the only land owners then CPO powers are not required as Lings will allow the Applicant to carry out any works that Ling require.

- 46. Since CAH1, Mr Dewey has requested confirmation that rights over this plot are not required or that as a minimum the area over which rights are required is reduced.
- 47. Unless an explanation can be given Plot 5-14 should be removed from the DCO.

Plot 5-31

48. This plot is covered by NMC7. It is understood that access is required for maintenance but given the proposed amendment to the Scheme, the 'cut back' is no longer required. Mr Dewey has subsequently informed the Applicant that Lings want to maximise this space for car display and can offer access, for maintenance purposes, along the new access route. On this basis, Mr Dewey has asked for the plot to be adjusted to remove the cut back area.

Plot 3-57 (and 3-56)

- 49. The Applicant's agent has informed Lings that some of Plot 3-56 may be required for a construction compound and confirmed during CAH1 that it is only being taken on a temporary basis for the benefit of Lings.
- 50. At the end of CAH1, the Applicant informally confirmed that an error had been made with plot 3-57 and it should, as contended, be included in Schedule 9 of 2dDCO.
- 51. Notwithstanding this, since CAH1 Mr Dewey has queried whether temporary possession of plot 3-57 is required. The plot is extremely important to Lings as it forms critical access to the site and works on the plot should be limited and access over it should be granted to Lings at all times.
- 52. As previously stated, the Applicant must have a clear idea of how the land will be used and this is the test upon which each plot must be assessed. If the Applicant cannot demonstrate a clear idea of how the land will be used the plot should be deleted from the Book of Reference as previously requested.

APPENDIX A



The Planning Act 2008

Proposed Port Terminal at Former Tilbury Power Station Tilbury2

Examining Authority's Report of Findings and Conclusions

and

Recommendation to the Secretary of State for Transport

Examining Authority

Paul Hudson, BA, MA, MSc, MRTPI, FRGS

Max Wiltshire, BSc, MSc, CEng, MICE

20 November 2018

7.5.11. Objections from Anglian Water, HE, Cadent and NGET were withdrawn. Those submitted by PLA and NR remained at the end of the examination, and which the Panel concludes from their submissions relate to \$127 rather than \$138 PA2008. The Panel recommends therefore that the SoS can be satisfied there is no conflict with the requirements of \$127 or \$138 PA2008 concerning the CA of statutory undertakers' land proposed in the Tilbury2 draft DCO, with the exception of the interests of NR concerning plot 02/03 and the PLA concerning plots 06/05a, 06/06, 06/10, 06/11 and 06/12 under \$127 if their objections are not formally withdrawn.

Funding

- 7.5.12. The Funding Statement sets out the total cost of constructing Tilbury2 as £136 million (a figure the Applicant reconfirmed at Deadline 4 [REP4-020]). The total compensation potentially payable (including professional fees) is assessed as approximately £12.4 million, of which £11.2 million would be to meet potential Category 3 claims.
- 7.5.13. The Applicant, Port of Tilbury London Ltd, is a subsidiary of Forth Ports Ltd and the Funding Statement contains the experience of the Group in carrying out previous large scale capital projects and its ability to raise the financial resources necessary to implement the Tilbury2 proposals.
- 7.5.14. Given that the Port of Tilbury London Ltd is a private company, the Panel asked for reassurance of the position set out in the Funding Statement that sufficient funds would be available and ring fenced solely for the purpose of meeting the CA obligations. A letter from the Chief Financial Officer of Forth Ports Ltd was submitted at Deadline 3 which confirmed to the Panel's satisfaction the arrangements that would be put in place [REP3-025]. The Panel concludes therefore that the SoS can be satisfied that the requisite funds for payment of compensation would be available at the appropriate time.

Consideration of alternatives

7.5.15. The Applicant set out in the SoR the way in which alternatives to CA were considered in the preparation of the application and this is covered above. The Panel concludes therefore that the requirements to explore all reasonable alternatives to proposed powers of CA have been satisfied.

Human Rights Act considerations

- 7.5.16. The Applicant considers in the SoR that Article 1 of the First Protocol to the European Convention of Human Rights is applicable, and also Articles 6 and 8 in terms of those affected by the proposed CA and TP of land:
 - First Protocol, Article 1 covers the rights of those whose property is to be CA and whose peaceful enjoyment of their property is to be interfered with;
 - Article 8 protects the rights of the individual in respect of private and family life; and

APPENDIX B



PLANNING ACT 2008 INFRASTRUCTURE PLANNING (EXAMINATION PROCEDURE) RULES 2010

PROPOSED PORT TERMINAL AT FORMER TILBURY
POWER STATION

TILBURY2

TR030003

LETTER FROM FORTH PORTS' DIRECTOR OF FINANCE IN RELATION TO RINGFENCING OF COMPULSORY ACQUISITION FUNDING

TILBURY2 DOCUMENT REF: PoTLL/T2/EX/90





FORTH PORTS LIMITED

1 PRINCE OF WALES DOCK, EDINBURGH, EF16 7DX Telephone 0131 555 8700 Facsimile 0131 553 7462

Our ref. Your ref. PoTLL/T2/EX/90

26 April 2018

The Examining Authority
The Planning Inspectorate
National Infrastructure
Temple Quay House
Temple Quay
Bristol
BS1 6PN

Dear Sirs,

TILBURY 2 - FUNDING POSITION

As outlined in the Funding Statement, Port of Tilbury London Limited is a wholly owned subsidiary of Forth Ports Limited. These are well established and substantial companies in their own right. They were both incorporated as companies in 1991 at the time of the transfer schemes made under the Ports Act 1991 but of course the underlying port undertakings existed well before then. In the case of Tilbury it was part of the Port of London Authority and in the case of Forth Ports Limited it was the Forth Ports Authority now in its 50th year.

The Forth Ports Group generates substantial revenue from its statutory and commercial activities and is adequately funded to meet the costs of compulsory acquisition should this be required. The Group is funded primarily by its two institutional shareholders, through a mix of equity and shareholder loans, and external debt. The Group has benefited from over £840,000,000 of capital raised through the issue of shares and equity based facilities. This demonstrates the confidence of funders.

The Group has also benefitted from the receipt of borrowings secured over its shares from institutional lenders. It has in place the usual sources of funding for a project of this nature, including debt facilities, with committed facilities in place of £650,000,000, of which £59,000,000 is undrawn which includes debt financing to meet the construction and other related costs for the Tilbury 2 Project. This is in addition to the annual cash generation of over £60m. These facilities are already in place and available for draw down as required. These debt facilities are a mix of lending from UK banks (£320m term loan and revolving facility) and Institutional lenders (£330m loan notes secured for between 10 and 18 years).

Port of Tilbury London Limited will continue to be funded by intra-company arrangements with Forth or other members of the Forth Ports Group to ensure that there is adequate financial resources to meet the costs of the development including any compulsory acquisition liabilities.

The Group and its directors manage the business so that adequate financial resources are maintained to meet obligations as they fall due. The finances of the business are tightly managed by the directors through internal control procedures, budgeting and planning systems. Funds allocated to meet the liability of compulsory acquisition will be managed and maintained as with other such liabilities so that the funds are available to meet the liabilities when they fall due.

Company Law requires Directors to prepare financial statements which give a true and fair view of the state of affairs of the company, which includes transactions arising which result in the recognition of future liabilities. Therefore, an accrual will be recognised for the potential CPO obligations at the time these powers are granted. This liability cannot released until the obligations are extinguished. Additionally, International Accounting Standard 1 requires that the Directors make an assessment of going concern in preparing the financial statements which takes into account an assessment of how the company intends to meet its liabilities for a period of at least 12 months from the date of approval of the accounts.

If compulsory acquisition powers are included in the DCO, then the sum required to meet the related obligations will be accrued for in the accounts of Port of Tilbury London Limited and will only be released once those powers have been exercised and all resulting compensation payments made, or in the event that the interests in and rights over the land concerned are acquired by Port of Tilbury London Limited without having to use those powers.

Yours faithfully,

Cardle Cron

Carole Cran CHIEF FINANCIAL OFFICER

APPENDIX C

Application by RiverOak Strategic Partners to upgrade and reopen Manston Airport The Examining Authority's written questions and requests for information (ExQ1) Issued on 18 January 2019

The following table sets out the Examining Authority's (ExA's) written questions and requests for information - ExQ1. If necessary, the Examination Timetable enables the ExA to issue a further round of written questions in due course. If this is done, the further round of questions will be referred to as ExQ2.

Questions are set out using an issues-based framework derived from the **Initial Assessment of Principal Issues** (**update**) provided as **Annex C** to the Rule 8 letter dated 18 January 2019¹. Questions have been added to the framework of issues set out there as they have arisen from representations and to address the assessment of the application against relevant policies.

Column 2 of the table indicates which Interested Parties (IPs) and other persons each question is directed to. The ExA would be grateful if all persons named could answer all questions directed to them, providing a substantive response, or indicating that the question is not relevant to them for a reason. This does not prevent an answer being provided to a question by a person to whom it is not directed, should the question be relevant to their interests.

Each question has a unique reference number. When you are answering a question, please start your answer by quoting the unique reference number.

If you are responding to a small number of questions, answers in a letter will suffice. If you are answering a larger number of questions, it will assist the ExA if you use a table based on this one to set out your responses. An editable version of this table in Microsoft Word format is available on request from the Case Team: please contact ManstonAirport@pins.qsi.qov.uk.

Responses are due by **Deadline 3** (15 February 2019) in the **Examination Timetable** at **Annex A** to the Rule 8 letter.

¹ Available here: https://infrastructure.planninginspectorate.gov.uk/document/TR020002-002848

ExQ1	Question to:	Question:
		TR10 and TR22; Manston Court Caravan Site and Preston Parks are assessed to have significant daytime inter-related noise and visual effects during the operational phase of the Proposed Development, in both shared open spaces and indoor spaces.
		 i. What mitigation is proposed to mitigate noise and visual effects in shared open spaces?
		ii. What mitigation is proposed for the interior spaces of the caravans at Manston Court Caravan Site?
E.1.21	The Applicant	Location
		A number of the application documents (for example, the Statement of Reasons [APP-006, 6.6]) describe the location of the Proposed Development as such:
		"The town of Margate lies approximately 5km to the north of the site and Ramsgate is approximately 4km to the east. Sandwich Bay is located approximately 4-5km to the south east."
		The RR from Jane Roberts [RR-0743] states that houses start at just 1.3km from the runway.
		Clarify the distance in relation to the nearest built up areas in terms of distance from the edge of the runway.
F.1	Funding and resources	

ExQ 1	Question to:	Question:
F.1.1	The Applicant	The Undertaker and availability of funds
		The Applicant's attention is drawn, in particular, to the Relevant Representations from Jane Lee-Hopkinson [RR-0742], Gary Lewis [RR-0580].
		The ExA invites the Applicant to comment on the statements contained in there RRs.
		NOTE : In responding to this question, the Applicant should note that some of the content of these RRs has been redacted and should take this into account in responding.
F.1.2	The Applicant	The Undertaker and availability of funds
		Provide full details, including audited accounts, for any companies, bodies or undertaking wholly or partly owned by RiverOak Strategic Partners Limited.
F.1.3	The Applicant	The Undertaker and availability of funds
		The Funding Statement [APP- 013] states in paragraph 19 that:
		"Through its joint venture agreement, RiverOak is able to draw down these two categories of funding (£7.5m land acquisition and £5.6m noise mitigation measures) when required."
		Provide a copy of the joint venture agreement showing who is party to the agreement.

ExQ 1	Question to:	Question:
F.1.4	The Applicant	The Undertaker and availability of funds
		The Funding Statement [APP- 013] states in paragraph 23 that:
		"To meet the capital costs of construction, RiverOak will select one or more funders from amongst those who have already expressed interest and others that are likely to come forward, to secure the best deal for constructing and operating the project."
		 Name those funders who have expressed interest and show audited proof of assets; and/or
		ii. Provide other evidence to demonstrate that there is a reasonable prospect of the requisite funds for constructing and operating the project becoming available.
F.1.5	The Applicant	Resource Implications – Implementation of the project
		The Applicant is reminded that that DCLG Guidance related to procedures for the compulsory acquisition of land (DCLG (2013) Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land, April) states that:
		"Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of implementing the project for which the land is required."

ExQ1	Question to:	Question:
		Provide a copy of any business case and/or plan which forms any part of the basis for estimating the net cost of implementing the project.
F.1.6	The Applicant	Resource Implications - Implementation of the project
		The Applicant is reminded that that DCLG Guidance related to procedures for the compulsory acquisition of land (DCLG (2013) Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land, April) states that:
		"Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of implementing the project for which the land is required."
		Resource Implications - Implementation of the project
		The Funding Statement [APP- 013] states in paragraph 15 that:
		"RiverOak has taken expert advice from RPS on the cost estimate for the project that is the subject of the application. The initial phase of the project, which will bring the airport back into use, is estimated to cost about £100 million. The cost of developing the remaining phases of the project over a 15-year period is estimated to be an additional £200 million, i.e. a total of £300 million."
		i. Show where in the application documentation the detailed

ExQ1	Question to:	Question:
		costings used to arrive at this figure are to be found; or
		ii. Set out the assumptions and broad estimates of the costs of the different elements of the proposed scheme that underlie this estimate of £300 million.
F.1.7	The Applicant	Resource Implications - Implementation of the project
		Paragraph 11 of the Funding Statement [APP-013] states that:
		"RiverOak anticipates that it will raise further equity and debt finance following the making of the DCO in order to develop the authorised development to completion."
		The ExA notes the use of the word "anticipates".
		 Provide evidence of your ability to raise further equity and debt finance following the making of the DCO in order to develop the authorised development to completion; and
		ii. Provide an evidenced estimation of the probability of doing so.
F.1.8	The Applicant	Resource Implications – Acquiring the land
		The Applicant is reminded that that DCLG Guidance related to procedures for the compulsory acquisition of land (2013) states that:
		"Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the

ExQ1:18 January 2019 Responses due by **Deadline 3**: 15 February 2019

ExQ1	Question to:	Question:
		resource implications of acquiring the land"
		The Funding Statement [APP- 013] states in paragraph 16 that:
		"RiverOak has obtained advice from surveyors CBRE that the total cost of acquiring the necessary land for the project at its value in the 'no-scheme world', the basis upon which compensation for compulsory acquisition is calculated, as no more than £7.5 million."
		The ExA notes that Article 9 - Guarantees in respect of payment of compensation, etc in the dDCO [APP-006] proposes guarantees in respect to this sum.
		 Show where in the application documentation the detailed costings used to arrive at this figure are to be found; or
		ii. Set out the assumptions and estimates of the costs of the different elements that underlie this estimate of £7.5 million.
F.1.9	The Applicant	Resource Implications - Noise Mitigation Plan
		Paragraph 18 in the Funding Statement [APP- 013] shows costs in relation to the Noise Mitigation Plan that:
		"Implementation of insulation policy and Part I claims: £4m (up to 1000 properties at £4000 each); and
		Implementation of relocation policy: £1.6m (up to eight properties)."
		The ExA notes that this totals £5.6m.

ExQ 1	Question to:	Question:
		 i. Show where in the application documentation the detailed costings used to arrive at these figure are to be found; or
		ii. Provide details of the costings of elements of the estimates underlying the costing of £5,600,000.
		iii. Show where the availability of this sum is subject to any form of guarantee in the dDCO [APP-006].
F.1.10	The Applicant	Resource Implications - blight
		The Applicant is reminded that DCLG Guidance related to procedures for the compulsory acquisition of land (2013) advises at paragraph 18 that the resource implications of a possible acquisition resulting from a blight notice have been taken account of.
		The Funding Statement [APP- 013] states in paragraph 20 that:
		"In some circumstances, landowners can make blight claims once the application has been made but before it is decided. Statutory blight is triggered once an application for a DCO has been made, pursuant to paragraph 24(c) of Schedule 13 to the Town and Country Planning Act 1990. The three categories of land to which this applies are small businesses, owner-occupiers and agricultural units. CBRE advise that there is no land subject to compulsory acquisition under this application in any of these categories. Nevertheless, RiverOak is has set aside funding for potential blight claims out of an abundance of caution and have drawn down £500,000 from their investors at the time of making the application in case any claims

ExQ 1	Question to:	Question:
		are successfully made."
		 i. Show where in the application documentation the detailed costings used to arrive at this figure are to be found; or
		ii. Provide details of the costings of elements of the estimates underlying the figure of £500,000.
		iii. Show audited evidence that RiverOak has assets of at least £500,000.
		iv. Provide full details, including current audited accounts, of the investors cited in this paragraph.
		v. Show where the availability of this sum is subject to any form of guarantee in the dDCO [APP-006].
F.1.11	The Applicant	Potential shortfalls
		The Applicant is reminded that DCLG Guidance related to procedures for the compulsory acquisition of land (2013) advises at paragraph 17 that the Applicant should provide an indication of how any potential shortfalls are intended to be met.
		Figures in the Funding Statement [APP- 013] show the estimated capital cost of the scheme as being £300m. Figures in the Funding Statement show the estimated potential combined cost of compulsory acquisition, the Noise Mitigation Plan and blight to be £13.6m.
		A letter from PWC AG appended to the funding statement refer to assets of

ExQ 1	Question to:	Question:
		£15m.
		Show how the shortfalls in funding are intended to be met and by whom.
F.1.12	The Applicant	Timing of availability of funds
		The Applicant is reminded that DCLG Guidance related to procedures for the compulsory acquisition of land (2013) advises at paragraph 18 that applicants should be able to demonstrate that adequate funding is likely to be available to enable the compulsory acquisition within the statutory period following the order being made.
		Demonstrate that adequate funding is likely to be available to enable the compulsory acquisition within the statutory period following the order being made.
F.1.13	The Applicant	Guarantee
		The ExA notes that Article 9 - Guarantees in respect of payment of compensation, etc in the dDCO [APP-006] proposes guarantees in respect to £7.5m.
		Figures in the Funding Statement [APP- 013] show the estimated potential combined cost of compulsory acquisition, the Noise Mitigation Plan and blight to be £13.6m
		Justify the figure of £7.5m in Article 9 of the dDCO [APP-006].

ExQ1	Question to:	Question:
F.1.14	The Applicant	Guarantee
		The ExA notes that Article 9 - Guarantees in respect of payment of compensation, etc in the dDCO [APP-006] proposes guarantees in respect to £7.5m.
		Demonstrate how Article 9 of the dDCO [APP-006] provides sufficient security for individuals in consideration of the provisions of the Human Rights Act 1998.
F.1.15	The Applicant	Cost efficiency and sustainability
		The Planning Statement [APP-080] states in paragraph 6.47 , with reference to the Airports NPS, that:
		"Paragraph 4.39 states that the applicant should demonstrate in its application that its scheme is cost efficient and sustainable, and seeks to minimise costs to airlines, passengers and freight owners over its lifetime. Whilst this is relevant primarily to the Heathrow Northwest Runway, RiverOak have set out the relevant details applicable to their scheme in the Funding Statement provided with the DCO."
		Show where and in what ways the Funding Statement [APP- 013] demonstrate the proposed scheme is cost efficient and sustainable, and seeks to minimise costs to airlines, passengers and freight owners over its lifetime.
F.1.16	The Applicant	The Airports NPS (new runway capacity and infrastructure at airports in the

ExQ1	Question to:	Question:
		South East of England, June 2018) refers in paragraph 4.37 to the fact that the CAA has granted an economic licence to the operator of Heathrow Airport to levy airport charges. This licence sets a maximum yield per passenger that can be recovered by the operator of Heathrow Airport through airport charges.
		Are you applying for, or expect to be granted, a similar economic licence?
F.1.17	The Applicant	The ExA has noted the advice contained in paragraph 4.40 of the 2018 Airports NPS that:
		"Detailed scrutiny of any business plan put forward by the licence holder will fall under the CAA's regulatory process under the Civil Aviation Act 2012, and the detailed matters considered under that process are not expected to be scrutinised in the same way during the examination and determination of an application for development consent."
		This paragraph goes on to state that:
		"The applicant is expected to provide the CAA with the information it needs to enable it to assist the Examining Authority in considering whether any impediments to the applicant's development proposals, insofar as they relate to the CAA's economic regulatory and other functions, are capable of being properly managed."
		Provide a list of the information provided to the CAA in this respect.

ExQ1	Question to:	Question:
F.1.18	The Applicant	The Statement of Reasons [APP-012] contains a number of references (eg at paragraphs 5.9.1, 5.9.2, 5.9.6, 5.9.7, 5.9.9) to provisions under which parties may be entitled to compensation.
		Show where provision has been made for this in the calculation of the costs of the project.
HE.1	Historic Environment	
HE.1.1	The Applicant	Listed Buildings
		Table 9.1 of the ES, Volume 1, Chapter 9 [APP-033] states that the Planning (Listed Buildings and Conservation Areas) Act 1990 (the Act) is addressed within the ES by "there are no listed buildings on the site". However, the Act covers listed buildings and their settings. The Secretary of State is required to have special regard to the desirability of preserving the setting of a listed building.
		Do you have any further comments on this matter?
HE.1.2	The Applicant	Conservation Areas
		Table 9.15 in Chapter 9 of Volume 1 of the ES [APP-033] states that the magnitude of change to the conservation areas of Acol and Minster resulting from the proposal would both be 'negligible'.
		i. With reference to paragraphs 5.198-5.205 of the 2018 Airports NPS, do you consider that such effect would result in less than

APPENDIX D

The Planning Inspectorate

National Infrastructure Planning Customer Services: 0303 444 5000

Temple Quay House

2 The Square Bristol, BS1 6PN

e-mail: A303Stonehenge@pins.gsi.gov.uk

Highways England c/o David Cox By email

Your Ref:

Our Ref: TR010025

Date: 20 November 2018

___ Dear Mr Cox

Planning Act 2008 - Section 51

Application by Highways England for an Order Granting Development Consent for the A303 Amesbury to Berwick Down

Advice following decision to accept the above application for examination

The above application was received by the Planning Inspectorate (the Inspectorate) on 19 October 2018. On 16 November 2018 the Inspectorate issued its decision (on behalf of the Secretary of State) to accept the application for examination.

In applying the Acceptance tests to the application documents, the Inspectorate noted some omissions/ discrepancies in the information provided. These observations are summarised in Box 30 of the A303 Amesbury to Berwick Down s55 Acceptance of Applications Checklist¹ (the Checklist).

This letter comprises advice to the Applicant provided under s51 of the Planning Act 2008 (PA2008). It should be read in conjunction with the Checklist issued alongside the Acceptance decision.

For the avoidance of doubt, on 8 November 2018 the Inspectorate contacted the Applicant having had difficulty identifying various works listed in Schedule 1 of the Draft Development Consent Order (DCO). On 12 November 2018 the Applicant submitted a document signposting within the application documents where these could be identified/ understood, published here:

https://infrastructure.planninginspectorate.gov.uk/document/TR010025-000477

The Inspectorate notes the Applicant's statement in paragraph 4.13 of the letter covering the signposting document which asserts that "should there be any matters that require further or more detailed consideration [...] Highways England would expect that these would be addressed post-acceptance, either during the examination, or through the issuing of s51 advice in parallel with the acceptance stage"

https://infrastructure.planninginspectorate.gov.uk/document/TR010025-000137



[emphasis added].On that basis the Applicant is expected to provide the updated information requested within this advice to the Inspectorate **before the Relevant Representations period starts**. This is to ensure that all persons with an interest in the application will have the opportunity to make Relevant Representations based on application documents that comprehensively articulate the Proposed Development.

Where the requested updates are not submitted by the deadline provided there may be implications for the date upon which the Preliminary Meeting can be held.

The Draft DCO (Doc 3.1)

Having considered the signposting document provided, the Inspectorate is satisfied that the Draft DCO is of a satisfactory standard for acceptance purposes. However, the Inspectorate considers that updates/ amendments should be made to the Draft DCO so that the examination can focus on the important and relevant matters pertaining to the Proposed Development rather than DCO drafting stylistics.

On that basis, and to ensure that all persons with an interest in the application will have the opportunity to make Relevant Representations based on application documents that comprehensively articulate the Proposed Development, the Applicant is expected to provide the following additional documents:

- 1. A standalone examination document serving an equivalent purpose to the signposting document provided to the Inspectorate on 12 November 2018. The Applicant may wish to amend the signposting document so its purpose as an examination document is clearly stated.
- 2. A 'detailed archaeological mitigation strategy' as certified by Article 56 (and Schedule 12) of the Draft DCO (and engaged by Requirement 5); or

A document clarifying the relationship between the 'detailed archaeological mitigation strategy' and Appendix 6.11 of the Environmental Statement (Doc 6.3), including an explanation and timeframes of the component parts as defined in the Draft DCO (ie overarching written scheme of investigation, heritage management plan, site specific written schemes of investigation and method statements).

3. A document clarifying:

- the relationship between the Outline Environmental Management Plan (OEMP) (Appendix 2.2 of the Environmental Statement); the 'preliminary works OEMP'; the Construction Environmental Management Plans (CEMPs); and other management plans for certain environmental topic areas (particularly those listed under 'MW-G7' of the OEMP). A visual aid to present the interrelationship across these plans would assist to clarify the technical and temporal overlaps. For example, the definition of 'preliminary works' in the Draft DCO includes (a) archaeological mitigation works; (c) investigations for the purpose of assessing ground conditions; and (d) remedial work in respect of any contamination or other adverse ground conditions. It is unclear if/ how these works relate to Draft DCO requirements 5 and 7 respectively; and
- the number of CEMPs that will be produced in relation to specific phases of works, and how the content of phase-specific CEMPs is intended to be specified in the Draft DCO and secured.



Separately, the Inspectorate has noted the general nature of Requirement 3 as drafted. It is likely that the future Examining Authority will wish to probe how this Requirement could be made more specific, bearing in mind the example of drafting in the recent Silvertown Tunnel Order 2018 for instance.

Habitats Regulations Assessment (HRA) Reports (Doc 6.3)

4. The Applicant is requested to provide a plan/ figure showing all six European sites identified in the HRA reports.

Statement of Reasons (Doc 4.1)

5. In order to facilitate regular updates in the course of the Examination, the Applicant is requested to provide the 'Schedule of all interests in the Land and progress of negotiations with persons subject to compulsory acquisition and temporary possession powers' as a standalone examination document.

Funding Statement (Doc 4.2)

6. The Applicant is requested to provide an addendum to the Funding Statement which is concerned specifically with the availability of funds for Compulsory Acquisition/ compensation for the proposed development.

Guide to the Application

7. The Applicant is requested to prepare a 'Guide to the Application', as per advice issued on 17 May 2018:

https://infrastructure.planninginspectorate.gov.uk/projects/south-west/a303-stonehenge/?ipcsection=advice&ipcadvice=fd091c09d3

Consultation Report (Doc 5.1)

In respect of s42(1)(a) prescribed persons, it appears on the basis of the information provided by the Applicant that the potentially relevant persons identified in Box 6 of the Checklist were not consulted at the Pre-application stage.

Unless there is a good reason in each case why the Applicant considers that these persons are not relevant to the Proposed Development, the Applicant is advised to include these persons, or their appropriate successors, in its s56 notification exercise or to otherwise proactively draw their attention to the Relevant Representation period.

I trust that this advice is useful to you and that it will aid your preparation for the examination of the application. For the avoidance of doubt, and for the reason set out previously, you are expected to provide the information requested in this letter to the Inspectorate **before the Relevant Representations period starts**.

If you have any questions about the content of this letter, please do not hesitate to contact me using the details provided.

Yours sincerely

Richard Price

Richard Price National Infrastructure Case Manager



APPENDIX E



Application by Horizon Nuclear Power for the Wylfa Newydd Nuclear Power Station Project The Examining Authority's written questions and requests for information (ExQ2)

Issued on 30th January 2019

The following table sets out the Examining Authority's (ExA's) written questions and requests for information - ExQ2. Questions are set out using an issues-based framework derived from the Initial Assessment of Principal Issues provided as Appendix B to the Rule 6 letter of 25 September 2018. Questions have been added to the framework of issues set out there as they have arisen from representations and to address the assessment of the application against relevant policies.

Column 2 of the table indicates which Interested Parties (IPs) and other persons each question is directed to. The ExA would be grateful if all persons named could answer all questions directed to them, providing a substantive response, or indicating that the question is not relevant to them for a reason. This does not prevent an answer being provided to a question by a person to whom it is not directed, should the question be relevant to their interests.

Each question has a unique reference number which starts with 2 (indicating that it is from ExQ2) and then has an issue number and a question number. For example, the first question on air quality and emissions issues is identified as Q2.1.1. When you are answering a question, please start your answer by quoting the unique reference number.

If you are responding to a small number of questions, answers in a letter will suffice. If you are answering a larger number of questions, it will assist the ExA if you use a table based on this one to set out your responses. An editable version of this table in Microsoft Word is available on request from the case team: please contact Wyla@pins.gsi.gov.uk and include 'Wylfa Newydd' in the subject line of your email.

Unfortunately given the timescales, it has not been possible to publish a Welsh language version of the Further Written Questions simultaneously with the English language version. It is our intention to publish a full translation of all Further Written Questions in the Welsh language as soon as reasonably possible. We will advise as and when these are published via the banner on the project website.

Responses are due by **Deadline 5, Tuesday, 12 February 2019**

Reference	Respondent:	Location:	Question:
Q2.4.52	Part 2 Applicant		In regard to the revised Book of Reference [REP2-026, REP2-027 & REP2-
Q =1.135	, , , , , , , , , , , , , , , , , , ,		028], the Applicant is requested to provide a completed and updated Compulsory Acquisition Objections Schedule. (See the updated copy at Appendix 1 of this document, which has one additional entry to that previously returned by the Applicant as REP2-010)
Q2.4.53	The Applicant		With reference to The Funding Statement [APP-033] explain the relationship between (a) Hitachi Ltd and Hitachi Nuclear Projects Development Europe Ltd and (b) Horizon Nuclear Power Ltd and Horizon Nuclear Power Wylfa Holdings Ltd and between the Hitachi companies and the Horizon Group in terms of:
			 The constitution of the board of directors for each company. Corporate governance arrangements between the companies, including the decision-making hierarchy for the Wylfa Newydd project. Where does responsibility for signing off the Final Investment Decision rest?
			4) Financial resources and access to project finance and investment for each of the companies.
Q2.4.54	The Applicant		The letter of the 21 January 2019 from Horizon Nuclear Power Ltd [AS-039] states that: 'the company will be moving towards a suspended state organisation by the end of March 2019'; and that: 'with respect to the Development Consent Order (DCO) currently in progress Horizon will continue with the on-going programme whilst it seeks opinion from Stakeholders and other interested parties on the best way forward'.

Reference	Respondent:	Location:	Question:
			The following should be noted:
			Planning Act 2008 105 [Decisions in cases where no national policy statement has effect] (1) This section applies in relation to an application for an order granting development consent [if section 104 does not apply in relation to the application] 2. (2) In deciding the application the Secretary of State must have regard to—
			(c) any other matters which the Secretary of State thinks are both important and relevant to the Secretary of State's decision.
			Statement on Energy Infrastructure: Written statement - HLWS316
			Planning Act 2008 122 Purpose for which compulsory acquisition may be authorised (1) An order granting development consent may include provision authorising the compulsory acquisition of land only if the [Secretary of State] ¹ is satisfied that the conditions in subsections (2) and (3) are met. (2) The condition is that the land— (3) The condition is that there is a compelling case in the public interest for the land to be acquired compulsorily.
			Planning Act 2008 - Guidance related to procedures for the compulsory acquisition of land
			Resource implications of the proposed scheme - paragraph 17:
			Any application for a consent order authorising compulsory acquisition must

Reference	Respondent:	Location:	Question:
			be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required. It may be that the project is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty about the assembly of the necessary land. In such instances, the Applicant should provide an indication of how any potential shortfalls are intended to be met. This should include the degree to which other bodies (public or private sector) have agreed to make financial contributions or to underwrite the scheme, and on what basis such contributions or underwriting is to be made. Compelling case in the public interest: paragraphs 12 and 13: In addition to establishing the purpose for which compulsory acquisition is sought, section 122 requires the Secretary of State to be satisfied that there is a compelling case in the public interest for the land to be acquired compulsorily.
			For this condition to be met, the Secretary of State will need to be persuaded that there is compelling evidence that the public benefits that would be derived from the compulsory acquisition will outweigh the private loss that would be suffered by those whose land is to be acquired. Parliament has always taken the view that land should only be taken compulsorily where there is clear evidence that the public benefit will outweigh the private loss. Other matters – paragraph 19 The high profile and potentially controversial nature of major infrastructure

Reference	Respondent:	Location:	Question:
			projects means that they can potentially generate significant opposition and may be subject to legal challenge In addition, Applicants will need to be able to demonstrate that:
			any potential risks or impediments to implementation of the scheme have been properly managed;
			The Applicant should make reference as appropriate to the above legal and policy context in answering all the questions below.
Q2.4.55	The Applicant	Q	In view of the current uncertainties about deliverability and funding, and as necessary providing a supplement to the Statement of Reasons, what is the justification for the compulsory acquisition request?
Q2.4.56	The Applicant	Q	Without prejudice to any conclusions that the ExA may draw in making its recommendation, following responses to Q2.25.1 and Q2.25.2, and as necessary providing a supplement to the Funding Statement [APP-033] 1) What is the current estimate of the cost of the Wylfa Newydd project? 2) What is the current estimate of the cost of Compulsory Acquisition (CA), including compensation for Category 3 persons and repair of possible damage during construction? 3) What is the current estimate for decommissioning costs?
			4) What is the source of project, CA and decommissioning funding and by what mechanism would it be secured and guaranteed through the dDCO and any planning obligations; noting that adequate funding should be available to enable the CA powers to be exercised within the statutory period following the order being made, as set out in Regulation 3(2) of the Infrastructure Planning (Miscellaneous

Reference	Respondent:	Location:	Question:	
			Prescribed Provisions) Regulations 2010. 5) What financial contingency measures are in place to ensure that, should the project be abandoned during or following the Site Preparation and Clearance Works or during the construction period, resources would be available to restore and secure the Wylfa Newydd site? 6) How would these contingency measures be secured; noting that Paragraph 1.2.14 of [REP – 024] states: the draft SPC s106 makes provision for a Parent Company Guarantee (PCG)/Escrow account and/or restoration bond to be secured in the event that the development consent is not implemented?	
Q2.4.57	The Applicant	Q	In addition to the Statement of Reasons and Funding Statement, what application documents and plans would need to be updated to respond to current circumstances (in the light of the letter dated 21 January 2019) and when would the Applicant consider that this information will be available?	
Q2.4.58	The Applicant	Q	In view of the uncertainties and the additional information sought is the Applicant satisfied that the ExA will have sufficient evidence to reach conclusions and make findings within the statutory timetable, having regard to the ExA's duty under section 98 (1) and the Secretary of State's powers under section 98 (4) to extend the timetable?	
Q2.4.59	The Applicant	All	Given the IACCs written representation in section 12.0 of REP2-218, and the response on Page 1-74 of REP3-019, should the County Council be included on the Compulsory Acquisitions Schedule [REP2-010 and/or REP2-011]?	
Q2.4.60	IACC and the Applicant	All	With reference to paragraph 12.0.3 of the IACCs written representation [REP2-218] and the Applicant's response in REP3-019, please provide an	

APPENDIX F





Wylfa Newydd Project

Horizon's Responses to ExA's Further Written Questions

PINS Reference Number: EN010007

12 February 2019

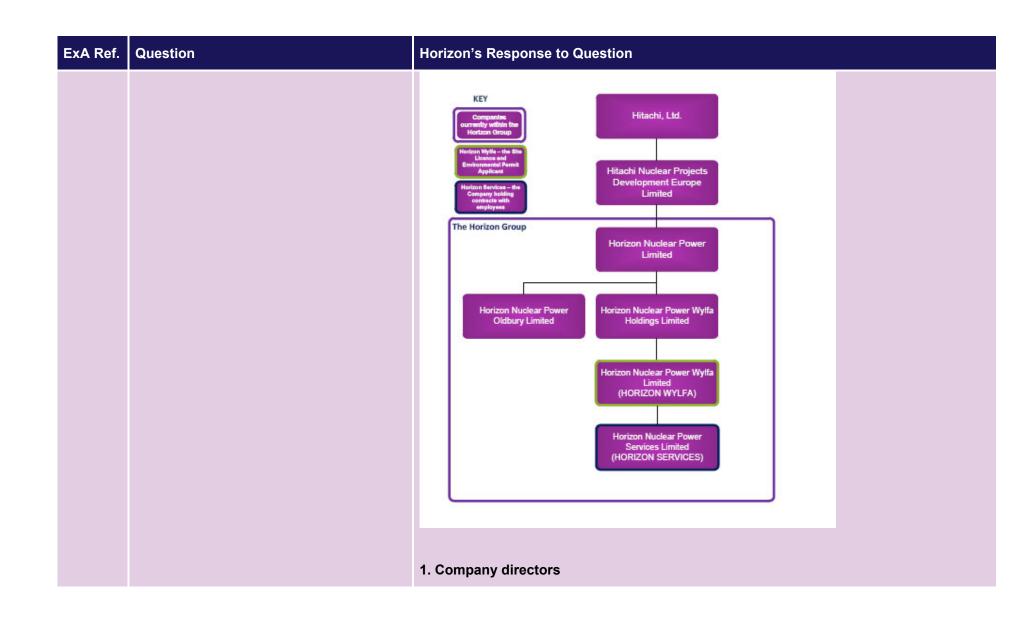
Revision 1.0

Examination Deadline 5

Planning Act 2008

Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009

ExA Ref.	Question	Horizon's Response to Question
		Horizon will continue to negotiate with Network Rail but is fundamentally opposed to the full suite of protective provisions being included within the draft DCO.
Q2.4.50		The WNMPOP has been structured out of the s.106 agreement (see Horizon's response to Q2.4.20), as such Horizon does not propose a detailed response to the question.
Q2.4.53	With reference to The Funding Statement [APP-033] explain the relationship between (a) Hitachi Ltd and Hitachi Nuclear Projects Development Europe Ltd and (b) Horizon Nuclear Power Ltd and Horizon Nuclear Power Wylfa Holdings Ltd and between the Hitachi companies and the Horizon Group in terms of: 1) The constitution of the board of directors for each company. 2) Corporate governance arrangements between the companies, including the decision-making hierarchy for the Wylfa Newydd project. 3) Where does responsibility for signing off the Final Investment Decision rest? 4) Financial resources and access to project finance and investment for each of the companies.	A copy of the Horizon Group structure and how it relates to Hitachi, Ltd is set out below. For the sake of completeness, this Group structure includes reference to two Horizon companies not the subject of question 2.4.53, being Horizon Nuclear Power Oldbury Limited and Horizon Nuclear Power Services Limited. Hitachi, Ltd is the ultimate owner of the entire issued share capital of the Horizon entities, through its 100% ownership of its immediate subsidiary Horizon Nuclear Projects Development Europe Limited ("HNPDE").



ExA Ref.	Question	Horizon's Response t	o Question		
			Holdings Limited and		Power Limited, Horizon r Wylda Limited is also
		Hitachi Nuclear Projects Development Europe Limited	Horizon Nuclear Power Limited	Horizon Nuclear Power Wylfa Holdings Limited	Horizon Nuclear Power Wylfa Limited
		Masahide Tanigaki	Sir Stephen John Gomersall	Sir Stephen John Gomersall	William Alastair Stein Doig
			Duncan Hawthorne	Duncan Hawthorne	Rabih Hafez
			Sang Hoon David Lee	Sang Hoon David Lee	Duncan Hawthorne
			Yoshiteru Murase	Katsumi Nagasawa	James William Jones
			Katsumi Nagasawa	Dr Timothy John Stone	Sang Hoon David Lee
			Dr Timothy John Stone	Masahide Tanigaki	Mark Henry Bernard Lunn
			Hidetoshi Takehara		Yoshiteru Murase

ExA Ref.	Question	Horizon's Response	to Question		
			Masahide Tanigaki		Masahiko Nakane
					Gwen Susan Parry- Jones
					Dr Kenneth James Petrunik
					Dr Timothy John Stone
					Anthony Richard Webb
					Lisa Claire White
		have delegated certain These are set out in ar out the decisions that of The DoA Policy author	Hitachi, Ltd, the Board powers to the respect agreed Delegations of can be taken by the CE ises the delegation of of powers and restriction	ive Chief Executive Office of Authority policy (the "D to of the companies with certain powers within the as set out within the docu	oA Policy") which sets nin the Horizon group. Ilimits granted and
		Responsibility for maki	ng or approving the Fi	nal Investment Decision taken by the Board of H	

ExA Ref.	Question	Horizon's Response to Question
		approval and recommendation of the respective subsidiary Boards. 4. Project finance Financial resources for developing the Wylfa Newydd Project has historically been provided by Hitachi, Ltd through a mixture of equity subscriptions and loan arrangements. Hitachi, Ltd had funded the project whilst discussions had been continuing with the UK Government and the Government of Japan on the financing and associated commercial arrangements that would enable a final investment decision to be taken and allow the construction of the project to commence. Unfortunately, despite the best efforts of everyone involved, it has not been possible to reach an agreement to the satisfaction of all concerned and therefore Hitachi, Ltd has recently announced that the Wylfa Newydd project has been suspended until such time as an appropriate solution can be found.
Q2.4.54	The letter of the 21 January 2019 from Horizon Nuclear Power Ltd [AS-039] states that: 'the company will be moving towards a suspended state organisation by the end of March 2019'; and that: 'with respect to the Development Consent Order (DCO) currently in progress Horizon will continue with the on-going programme whilst it seeks opinion from Stakeholders and other interested parties on the best way forward'. The following should be noted: Planning Act 2008 105 [Decisions in cases where no national policy statement has effect] 1	Horizon accepts that the legal and policy context as detailed by the Examining Authority is relevant. Horizon notes that, with respect to section 105 of the Planning Act 2008, Horizon's DCO application was made pursuant to section 105 of the Planning Act 2008 and in accordance with the Statement of Energy Infrastructure: Written Statement – HLWS316 which confirmed that nuclear power stations yet to apply for development consent and due for deployment beyond 2025 should be considered under section 105 rather than section 104. Please refer to the Planning Statement [APP-406] which sets this out in more detail. With respect to section 122 of the Planning Act 2008 and the Guidance related to procedures for the compulsory acquisition of land, Horizon has made reference to this legal and policy context where appropriate in its responses to the questions that follow. In particular, please see Horizon's response to Q2.4.55 and Q2.4.61.

ExA Ref.	Question	Horizon's Response to Question
	(1) This section applies in relation to an application for an order granting development consent [if section 104 does not apply in relation to the application] 2.	
	(2) In deciding the application the Secretary of State must have regard to—	
	(c) any other matters which the Secretary of State thinks are both important and relevant to the Secretary of State's decision.	
	Statement on Energy Infrastructure: Written statement - HLWS316	
	Planning Act 2008	
	122 Purpose for which compulsory acquisition may be authorised	
	(1) An order granting development consent may include provision authorising the compulsory acquisition of land only if the [Secretary of State] 1 is satisfied that the conditions in subsections (2) and (3) are met.	
	(2) The condition is that the land—	
	(3) The condition is that there is a compelling case in the public interest for the land to be acquired compulsorily.	

ExA Ref.	Question	Horizon's Response to Question
	Planning Act 2008 - Guidance related to procedures for the compulsory acquisition of land	
	Resource implications of the proposed scheme - paragraph 17:	
	Any application for a consent order authorising compulsory acquisition must	
	be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required. It may be that the project is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty about the assembly of the necessary land. In such instances, the Applicant should provide an indication of how any potential shortfalls are intended to be met. This should include the degree to which other bodies (public or private sector) have agreed to make financial contributions or to underwrite the scheme, and on what basis such contributions or underwriting is to be made.	
	Compelling case in the public interest: paragraphs 12 and 13:	
	In addition to establishing the purpose for which compulsory acquisition is sought,	

ExA Ref.	Question	Horizon's Response to Question
	section 122 requires the Secretary of State to be satisfied that there is a compelling case in the public interest for the land to be acquired compulsorily.	
	For this condition to be met, the Secretary of State will need to be persuaded that there is compelling evidence that the public benefits that would be derived from the compulsory acquisition will outweigh the private loss that would be suffered by those whose land is to be acquired.	
	Parliament has always taken the view that land should only be taken compulsorily where there is clear evidence that the public benefit will outweigh the private loss.	
	Other matters – paragraph 19	
	The high profile and potentially controversial nature of major infrastructure	
	projects means that they can potentially generate significant opposition	
	and may be subject to legal challenge In addition, Applicants will need to be able to demonstrate that:	
	 any potential risks or impediments to implementation of the scheme have been properly managed; 	
	The Applicant should make reference as appropriate to the above legal and policy	

ExA Ref.	Question	Horizon's Response to Question
	context in answering all the questions below.	
Q2.4.55	In view of the current uncertainties about deliverability and funding, and as necessary providing a supplement to the Statement of Reasons, what is the justification for the compulsory acquisition request?	Hitachi's decision to move the company towards a suspended state by end of March 2019, as reported in the letter to the Examining Authority dated 21 January 2019, does not undermine Horizon's case for the Wylfa Newydd DCO Project as set out in the Statement of Reasons [APP-032] and the accompanying Oxera Report submitted as part of its DCO application. The fact remains that there is an urgent need for new nuclear power generation in the UK, and the Wylfa Newydd Project at Wylfa presents the best opportunity of delivering this as soon as possible, while at the same time deriving long-term, significant economic opportunities for Anglesey and in the wider North Wales region. Any resulting delay to the delivery of the Wylfa Newydd Project as a result of the recent suspension does not undermine this. It follows that the same must be said in respect of the compulsory acquisition powers being sought in the draft DCO to deliver the Wylfa Newydd DCO Project. As described in the Statement of Reasons, compulsory acquisition powers are justified on the basis that they are necessary to facilitate the construction, operation and maintenance of the Wylfa Newydd DCO Project. The use of such powers would be legitimate, necessary and proportionate to the Wylfa Newydd DCO Project and in the public interest; such that they satisfy section 122 of the Planning Act 2008. This is expanded on below. Section 122 of the Planning Act 2008 provides that an order granting development consent may include provision authorising the compulsory acquisition of land only if the Secretary of State is satisfied that the land: a) is required for the development to which the development consent relates; b) is required to facilitate or is incidental to that development; or c) is replacement land which is to be given in exchange for the order land under section

ExA Ref.	Question	Horizon's Response to Question
		131 or 132;
		(3) The condition is that there is a compelling case in the public interest for the land to be acquired compulsorily."
		Also relevant is the Department for Communities and Local Government Guidance, Planning Act 2008: Guidance related to procedures of compulsory acquisition (updated 2013) (Guidance), and the European Convention of Human Rights which requires that affected persons must have a fair and public hearing by and independent and impartial tribunal.
		The land over which powers of compulsory acquisition is sought, is all land that is required for, or to facilitate the Wylfa Neywdd DCO Project. The extent of the Order Land required for the Wylfa Newydd DCO Project has been determined according to the operational requirements of the proposed Power Station, and its associated developments supporting its construction, operation and maintenance, and to mitigate its effects. In appraising and selecting sites, and developing its design, Horizon has sought to limit, so far as practicable, the land take, the environmental impact and the loss of property.
		The Statement of Reasons Justification Table provided at Appendix 11-1 which is due to be updated at Deadline 6 details which compulsorily acquisition powers are sought in respect of which plots of land, and the corresponding works proposed for that land for which those powers are required. The table demonstrates that:
		 the interest proposed to be acquired in that land is for a legitimate purpose, and is necessary and proportionate to the work proposed on that land; amd Horizon has a clear idea of how it intends to use the land that it is proposing to acquire.
		To the extent possible, Horizon has sought to acquire all rights and interests in land necessary for the Wylfa Newydd DCO Project through private agreement on commerical terms. While Horizon has successfully acquired or obtained options and leases over a large number of land parcels and rights, powers to compulsorily acquire the remaining rights and interests are necessary to ensure delivery of the Wyfla Newydd DCO Project.

ExA Ref.	Question	Horizon's Response to Question
		Horizon maintains that there is a compelling case in the public interest for the land to be acquired compulsorily. As explained above, the Wylfa Newydd Project at Wylfa presents the best opportunity to meet the urgent need for new nuclear power generation and deliver this energy as soon as possible, while at the same time deriving long-term, significant economic opportunities for Anglesey and in the wider North Wales region. The public benefits that would be derived from the compulsory acquisition of land and interests in land for the delivery of the Wylfa Newydd DCO Project outweighs the private loss that would be suffered by those whose interests in land and/or rights over land are to be acquired. Without the power to acquire compulsorily the necessary interests in and rights over land, Horizon would be unable to guarantee the delivery of the project.
		Accordingly, as contemplated by section 122(3) of the Planning Act 2008 and the Guidance, if powers of compulsory acquisition were included in any DCO granted for the Wylfa Newydd DCO Project, the use of such powers would be legitimate, necessary and proportionate for the purpose of constructing and operating the Wylfa Newydd Power Station in the public interest; and in satisfaction of section 122 of the Planning Act 2008, the Guidance and the European Convention of Human Rights.
		Horizon maintains that its Statement of Reasons remains appropriate. However, as indicated above, the Justification Table at Appendix 11-1 does require some minor amendments to reflect changes that have be made since it was submitted. Horizon is therefore revising its Statement of Reasons, including the Statement of Reasons Justificiation Table and will be submitting a revised Statement of Reasons at Deadline 6. Horizon notes that the changes being made to the Justification Table reflect minor amendments that Horizon has made to the compulsory acquisition powers it is seeking in respect of certain plots of land. These changes are as a result of further engagement with interested parties since the DCO application as submitted and/or to reflect further refinement to the design of the Wylfa Newydd DCO Project.

ExA Ref.	Question
Q2.4.56	Without prejudice to any conclusions that the ExA may draw in making its recommendation, following responses to Q2.25.1 and Q2.25.2, and as necessary providing a supplement to the Funding Statement [APP-033]
	1) What is the current estimate of the cost of the Wylfa Newydd project?
	2) What is the current estimate of the cost of Compulsory Acquisition (CA), including compensation for Category 3 persons and repair of possible damage during construction?
	3) What is the current estimate for decommissioning costs?
	4) What is the source of project, CA and decommissioning funding and by what mechanism would it be secured and guaranteed through the dDCO and any planning obligations; noting that adequate funding should be available to enable the CA powers to be exercised within the

Infrastructure

Horizon's Response to Question

- to any conclusions that 1) Horizon's current estimate for the cost of the Wylfa Newydd DCO Project remains as set out in the Funding Statement [AP-033]. This estimate is based on previous work that Horizon has done with its delivery partners to determine the costs estimate for implementing the Wylfa Newydd DCO Project including costs of construction and the funding any additional land required.
- 2) Horizon is currently working to update the estimate of the cost of Compulsory Acquisition rent estimate of the cost (CA) and will provide this information at Deadline 6.
- 3) The Power Station would be operational for approximately 60 years after which it would be ent estimate of the cost decommissioned. Decommissioning would in accordance with any requirements imposed under the site's Nuclear Site Licence. Given this, it is difficult to estimate with any certainty how much decommissioning will cost. The Detailed Decommissioning and Waste Management Plan calculates a Base Cost (exclusive of risk and uncertainty) of £6.75B (at April 2016 values). The inclusion of estimating uncertainty and risk to the base cost value increases the estimate to £8.24B (at April 2016 values) at an 80% confidence level (P80).

Further, Horizon notes that pursuant to the Energy Act 2008, a Funded Decommissioning Programme (FDP) approved by the Secretary of State making provision for the costs of decommissioning would be required to be in place before any construction works on the Wylfa Newydd DCO Project could begin. This is considered in more detail at part 4(c) of this response.

4) (a) Project funding

Planning (Miscellaneous

statutory period following the order being

made, as set out in Regulation 3(2) of the

5) What financial contingency measures

are in place to ensure that, should the

project be abandoned during or following

Prescribed Provisions) Regulations 2010.

As set out in the Funding Statement [APP-033] Horizon expects the funding for the Wylfa Newydd DCO Project to require external financing, potentially from both equity and debt sources. Negotiations with the UK Government have been ongoing for some time but, as the Examining Authority will be aware, an agreement as to the funding structure has yet to be reached.

The expectation is that ongoing engagment with the UK government will continue in order to develop a deliverable funding arrangement. The UK Government has confirmed its commitment to new nuclear development including at Wylfa.

ExA Ref.	Question
	the Site Preparation and or during the construction would be available to the Wylfa Newydd site? 6) How would measures be secured Paragraph 1.2.14 of [RE draft SPC s106 maked Parent Company Guard account and/or restorn secured in the event the consent is not implement.

Horizon's Response to Question

Site Preparation and Clearance Works during the construction period, resources uld be available to restore and secure

How would these contingency asures be secured: noting that ragraph 1.2.14 of [REP – 024] states: the ft SPC s106 makes provision for a rent Company Guarantee (PCG)/Escrow count and/or restoration bond to be cured in the event that the development sent is not implemented?

Pursuant to NPS EN-1, the Examining Authority need only consider that an assessment of the finanicial viability of a project has been carried out. Horizon refers to NPS EN-1, paragraph 4.1.9 which provides that:

In deciding to bring forward a proposal for infrastructure development, the applicant will have made a judgement on the financial and technical viability of the proposed development, within the market framework and taking account of Government interventions. Where the IPC considers, on information provided in an application, that the financial viability and technical feasibility of the proposal has been properly assessed by the applicant it is unlikely to be of relevance in IPC decision making (any exceptions to this principle are dealt with where they arise in this or other energy NPSs and the reasons why financial viability or technical feasibility is likely to be of relevance explained).

Horizon is not proposing to submit an update to the Funding Statement at this time. As noted in the recent suspension announcement, Horizon will continue to engage with the UK government to seek to develop arrangements that will enable the development of new nuclear build at Wylfa. It is still envisaged that the most likely sources for this funding would be a combination of debt and equity. With the right arrangements in place, it will be possible to develop a commercially viable project on the WNDA. Paragraphs 2.2.1 and 2.3.2 - 2.3.4 of the Funding Statement should be read in the context outlined above. A copy of Hitachi's consolidated accounts for the fiscal year ended 31 March 2018 can be provided if required.

For the sake of completeness, the issued share capital of Horizon Nuclear Power Wylfa Limited specified in paragraph 2.1.1 of the Funding Statement now stands at £1,677,398,002

4) (b) CA funding

With respect to compulsory acquisition funding, Horizon appreciates the importance of there being adequate funding in respect of any exercise of compulsory acquisition powers to be included in the DCO.

However, Horizon notes that the Examining Authority need only be satisfied that "there is a reasonable prospect of the requisite funds for acquisition becoming available" (see the DCLG Guidance on procedure for compulsory acquisition). The actual security for the value of the compulsory acquisition liability only needs to be in place at the time the compulsory

ExA Ref.	Question	Horizon's Response to Question
		acquisition power is exercised.
		Horizon will consider a requirement to be inserted into the draft DCO under which appropriate security for compulsory acquisition liability would need to be in place before the powers could be exercised.
		4) (c) Decommissioning funding
		It is accepted that operators of new nuclear power stations must meet the full costs of decommissioning, waste management and waste disposal for their proposals. The Energy Act 2008 sets out the framework for ensuring this. It requires operators of new nuclear power stations to have in place a FDP approved by the Secretary of State before nuclear-related construction may begin. An FDP must set out what financing arrangements the operator has in place to meet the full costs of decommissioning the power station and the costs of managing and disposing of waste generated by the power station, and demonstrate that "prudent provision" has been made for these costs.
		As such, it is not necessary for Horizon to demonstrate detailed funding for decommissioning at this DCO application stage. A costed FDP will be prepared and submitted to the Secretary of State at the appropriate time.
		5) and 6) In the event that SPC Works had commenced and a decision is taken not to continue with the construction of the SPC Works or authorised development, Requirement SPC13 of the draft DCO requires that restoration of those parts of the WNDA affected by SPC Works must be undertaken in accordance with an approved restoration scheme and completed within 12 months. Failure to comply with the DCO is a criminal offence under the Planning Act 2008.
		Horizon considers that this is sufficient protection to ensure that any part of the site affected by the SPC works is appropriately restored and secured. As recognised by the Examining Authority during the Examination of the Hinkley Point C New Nuclear Power, national policy does not require that infrastructure projects must insure themselves against the possibility of incomplete development. [To impose an obligation for restoration security in the DCO or the DCO s.106 agreement would set a difficult precedent, which if applied more widely, would adversly affect funding and delivery of other infrastructure projects.]

ExA Ref.	Question	Horizon's Response to Question
		Although restoration security was agreed to by Horizon under the draft SPC s.106 agreement for the cost of those works (approximately £7.66 Million), this was agreed solely to address the risk of the works commencing under an SPC Works planning permission and the DCO not being granted. Horizon is not aware that any projects have required generalised security for works, even where funding for those DCO projects has not been secured.
Q2.4.57	In addition to the Statement of Reasons and Funding Statement, what application documents and plans would need to be updated to respond to current circumstances (in the light of the letter dated 21 January 2019) and when would the Applicant consider that this information will be available?	For the reasons explained in Horizon's responses to Q2.4.55, Q2.4.56 and Q2.4.61, Horizon considers that its Statement of Reasons [APP-032] and its Funding Statement [APP-033] remain both valid and appropriate despite Hitachi's decision to move Horizon towards a suspended state by end of March 2019. Horizon is, however, proposing to submit an updated Statement of Reasons to reflect minor changes that have been made to the compulsory acquisition powers that Horizon is seeking in respect of certain plots of land. An updated Statement of Reasons will be submitted at Deadline 6. Updated Books of Reference and Land Plans will be submitted alongside this Statement of Reasons. Horizon does not consider that any other DCO application documents require updating following the Hitachi decision.

APPENDIX G



PART 3

Officer Delegations

OFFICER DELEGATIONS

Part 3

OFFICER DELEGATIONS

- 1. Directors are authorised to exercise the powers and duties of the County Council in relation to the service and activities for which they responsible, professional and the and managerial responsibilities of their posts. They are accountable to the elected members of the County Council for the efficient and economic discharge of these responsibilities. Members are accountable to the public and are responsible for all major matters which impact upon the public in the course of the County Council exercising its powers and duties. Officers can only act within delegated powers and these are exercisable subject to
 - (a) strategies, policies, priorities and Financial Regulations determined by the members of the County Council;
 - (b) referral to the appropriate body of members for consultation or decision on all matters of public controversy or undecided matters of policy or substantial change from previous practice or which involve difficult or major issues relating to (a) above where custom and practice or initial consultation with elected members indicates that such referral should take place;
 - (c) members with specific functional responsibilities or being the electoral division representative receiving appropriate information about the exercise of the powers;
 - (d) compliance with the law and all policies, regulations, orders, codes, protocols, and similar documents approved by Council, Cabinet or a Regulatory Committee;
 - (e) consultation with appropriate officers and proper regard to any advice given;
 - (f) other specific delegations in this scheme or similar documents to another officer;
 - (g) decisions by the Chief Executive or the Monitoring Officer on whether Directors should exercise any delegated power.
- 2. In addition to the constraints referred to above, there are exceptions to all officers' delegated powers. In particular there is no delegation to officers of:
 - (a) matters specifically reserved to members by resolution of Council or the Cabinet;

- (b) approval to exceed the provision in the revenue or capital budgets for their service responsibilities;
- decisions on permanent savings in the budget to achieve the (c) Council's policies;
- (d) the making of an order for the compulsory acquisition of land;
- (e) the right to confirm any order or issue or grant any permission. consent, licence or other determination which is the subject of a statutory right of objection that has been duly exercised;
- (f) the right to make appointments to posts which are made by the Staff Appointments Committee or Full Council;
- the right to determine any matter within the remit of the (g) Dismissal Appeals Committee;
- the right to determine a major employee reorganisation. (h)

3. **Ex-gratia payments**

- 3.1 Directors as defined under Human Resources Delegations below may make an ex-gratia payment not exceeding £500, in consultation with the Council Lead for Complaints and Customer Feedback.
- 3.2 Directors as defined under Human Resources Delegations below may make an ex-gratia payment not exceeding £3,000, in consultation with the appropriate Cabinet Member, subject to the approval of the Chief Executive and the Assistant Director (Scrutiny and Monitoring).
- 3.3 The Chief Executive may make an ex-gratia payment not exceeding £5,000 in consultation with the appropriate Cabinet Member and after agreement with the Assistant Director (Scrutiny and Monitoring).
- 3.4 Payments made by an individual Director or the Chief Executive under paragraphs 3.1, 3.2 and 3.3 respectively shall not exceed £10,000 in total in any particular financial year, subject to prior approval by the Head of Finance.
- 3.5 Payments made by the Assistant Director (Scrutiny and Monitoring) shall be in consultation with the appropriate Cabinet Member and subject to the approval of the Chief Executive.

Absence of Chief Executive and other Directors as defined 4. under Human Resources Delegations

4.1 The terms 'Chief Executive', 'Executive Director', 'Corporate Director' and 'Director' shall include any officer nominated by them, in writing, to act on their behalf in their absence, when they are unable to act or otherwise.

HUMAN RESOURCES DELEGATIONS

The following is a summary of those HR matters delegated to Directors. In addition, the final section sets out those matters, related to Director delegations, which should be referred for decisions by councillors.

The terms Director, Corporate Director and Executive Director are taken to refer to those officers authorised to take decisions in relation to their Directorate/Department and to the Deputy Chief Executive for functions in the corporate centre. Specific roles are allocated to the Head of HR and to the Head of Finance; these are areas of delegated corporate responsibility arising from those officers' respective professional remit.

Pay and Conditions of Service

- ay and conditions of convict	
To implement national, regional and local pay awards, terms and conditions of service, and approved HR policies and procedures including the interpretation of any discretionary clauses	Head of HR, Head of Finance, Executive Directors, Corporate Directors and Directors
To agree the grading of all posts within the County Council excluding Teachers, Youth & Community Workers and Fire-fighters	Head of HR
To take decisions for all posts, excluding Directors, which	Executive Directors,
relate to starting salary, progression, honoraria, market force	Corporate Directors and
supplements and other contractual payments.	Directors
To take decisions for Directors relating to starting salary, progression, honoraria, market force supplements and other contractual payments.	Chief Executive
To extend sick pay at full or half rate for a period of up to 6	Executive Directors,
months	Corporate Directors and
	Directors

Posts

To make all appointments to posts other than those reserved	Executive Directors,
to the Staff Appointments Committee	Corporate Directors and
	Directors
To make temporary and/or supernumerary appointments	Executive Directors,
beyond approved staffing complements to cover exceptional	Corporate Directors and
events e.g. long-term sickness, peak workloads, etc, for a	Directors
period not exceeding 12 months.	
To establish externally funded posts, ensuring there is a	Executive Directors,
clear audit trail for the funding.	Corporate Directors and
	Directors
In accordance with County Council policies and procedures	Executive Directors,
to dismiss or formally warn an employee below Director	Corporate Directors and
level.	Directors
In accordance with County Council policies and procedures	Chief Executive
to dismiss or formally warn an employee at Director level.	

Travel

To authorise the granting of car loans	Head of Finance with
	Executive Directors/
	Corporate Directors/Directors

Training

The authorisation of all tra	ining requirements including	Executive Directors.
attendance, expenditure and	Corporate Directors and	
	Directors	

Industrial Relations

To undertake negotiations, consultations and discussions	Executive Directors/Corporate
with recognised trade unions and other staff associations	Directors/Directors on
	operational matters; Head of
	HR on strategic/corporate HR
	matters

5. The following summaries of Directors' delegations detail further exceptions and provide appropriate clarification:

Chief Executive

- 1. To be the Head of the Paid Service in accordance with the Local Government and Housing Act 1989.
- 2. To have authority over all other officers so far as is necessary for the efficient management and execution of the County Council's affairs, functions or services except:
 - (i) where officers are exercising specific responsibilities imposed on them under statute;
 - (ii) that where the professional judgement or expertise of a Director is involved the officer shall have full opportunity to explain his or her views.
- 3. Subject to observance of the appropriate procedures and rights of appeal, to decide disciplinary, incapability and salary related matters concerning Directors.
- 4. To undertake executive powers where necessary in the event of a civil emergency.
- 5. To exercise the functions of the County Council under the Crime and Disorder Act 1998 and the Learning and Skills Act 2000.
- 6. To exercise the powers of the County Council under S. 2 of the Local Government Act 2000 (well-being powers), and the Localism Act 2011 (general power of competence).
- 7. To hold the Corporate Director of Health, Wellbeing and Children's Services to account for the effective working of the Suffolk Local Safeguarding Children Board.
- 8. To provide leadership on matters pertaining to health and safety in order to protect our employees and those who may be affected by our activities in accordance with the Health and Safety at Work etc Act (HSWA) 1974.

Whilst the Chief Executive cannot delegate accountability under HSWA, they can delegate responsibility to ensure that arrangements are in place to ensure compliance with HSWA. The County Council

has delegated this responsibility to the Safety, Health and Wellbeing Board (SHAW Board), chaired by the Chief Fire Officer as the health and safety champion of the Corporate Leadership Team.

Assistant Director (Scrutiny and Monitoring)

- To act as solicitor to the Council and to institute, conduct and, where appropriate, defend and settle criminal and civil legal proceedings and claims concerning the County Council's responsibilities and interests except in relation to those covered by the County Council's insurance policies.
- To take any action in order to protect the interests of the Council or of any person or property to whom, or for which, the Council has responsibility or in order to give legal effect to any decision or action properly taken by the Council or a Committee or person on behalf of the Council.
- 3. To be the Monitoring Officer and the Proper Officer in accordance with the Local Government Acts (except where signified under other officer delegations) and the Registration Service Act 1953.
- 4. To be responsible for the administration of the Council's political management structures.
- 5. To determine applications for planning permission under Regulation 3 of the Town and Country Planning General Regulations 1992 where such applications relate to land or buildings managed by the Strategic Development Division within the Growth, Highways and Infrastructure Directorate and provided that no objections have been received.
- 6. To appoint members and clerks to Education Appeal Panels established under the School Standards and Framework Act 1998.
- 7. To determine applications under Section 15(8) of the Commons Act 2006.
- 8. To be the 'Qualified Person' in accordance with the Freedom of Information Act 2000.

Head of HR

To exercise the functions of the County Council relating to all human resources and employment matters, including the salary and grading structures of all posts subject to observance of appropriate procedures and rights of appeal. The following powers are not within the functions of the Head of HR:

- 1. The power to determine the salary and grading structures for posts from JNC Chief Executive to senior manager level (see Part 1, para 12.3).
- 2. The power to determine the grading of posts does not apply to teachers and other employees subject to the local management of schools, youth and community workers, and fire fighters.
- 3. Executive Directors/Corporate Directors/Directors having the right to:
 - (a) Make temporary and/or supernumerary appointments beyond approved staffing complements to cover exceptional events e.g. long-term sickness, peak workloads, etc for a period not exceeding 12 months.
 - (b) Dismiss or formally warn all employees below Director level in accordance with County Council policies and procedures.
- 4. The scheme of delegation to Executive Directors/Corporate Directors/Directors covering detailed HR issues set out above.

To exercise the functions of the County Council relating to all operations of the scheme employer discretions under the local government pension scheme regulations, subject to observance of appropriate statutory rules and limitations, and to report annually to the Suffolk Pension Board any discretions so applied.

Deputy Chief Executive

- 1. To exercise the functions of the County Council relating to Communications and Media, Finance, Property, Commercial, Scrutiny and Monitoring, ICT and Human Resources. In respect of HR the delegation does not apply to matters delegated to the Head of HR.
- 2. To exercise the function of the Chief Information Officer (CIO) responsible for directing the information, security and data integrity of the County Council.

The CIO will:

- 1. Review and monitor all computerised and manual record systems, and develop the strategic direction of all information processing and communication systems and operations.
- 2. Provide overall management and definition of all computer and communication activities within the organisation including responsibility for providing a strategic leadership role in the day to day operation of the ICT functions; and

3. Oversee incident response as well as the investigation of security breaches, and assist as necessary with disciplinary and legal matters associated with such breaches.

Executive Director of Growth, Highways and Infrastructure

- 1. To exercise the functions of the County Council relating to highways, transportation, town and country planning, waste disposal, economic development, flood and water management, environment and countryside.
- 2. In the case of town and country planning, the delegation includes: -

(a) Minerals and waste development

- i) Applications to vary conditions of an existing permission including variations to extend the duration of permission
- ii) The erection of ancillary buildings, extensions to buildings, plant or machinery, earthworks and lagoons.
- iii) New Minerals and Waste sites under 1ha in size.
- iv) New Minerals and Waste sites allocated in Local Plan.
- v) In the above cases delegation will only be exercised where no objections have been received up until the time the decision is taken. Where between 1 and 4 objections have been received from non-statutory consultees* the application shall be referred to the Local Member(s), Chair and the Vice Chair of the Development and Regulation Committee who may call in the application for determination by the Development and Regulation Committee or otherwise allow the matter to be dealt with under delegated powers.
- vi) The making of representations when consulted as Mineral & Waste Planning Authority, for example, on matters such as safeguarding of mineral resources or waste management sites.
- vii) To determine whether or not to require the submission of an application for the periodic review of mineral planning permissions, subject to the local county councillor(s) being consulted, in accordance with the power provided by Section 10 and Schedule 3 of the Growth and Infrastructure Act 2013

- (b) <u>Applications under Regulation 3 of the Town & Country Planning</u> General Regulations 1992 (i.e. County Council development)
 - i) Applications for any development, except those that relate to land or buildings managed by the Strategic Development Division within the Growth, Highways and Infrastructure Directorate. In this case, the delegated decisions will be taken by the Head of Legal Services.
 - ii) In the above cases delegation will only be exercised where no objections have been received at the time the decision is taken. Where between 1 and 4 objections have been received from non-statutory consultees* the application shall be referred to the Local Member(s), Chair and the Vice Chair of the Development and Regulation Committee who may call in the application for determination by the Development and Regulation Committee or otherwise allow the matter to be dealt with under delegated powers. For cases where between 1 and 4 objections have been received from non-statutory consultees* which fall to be determined by the Head of Legal Services in accordance with the Council's Constitution, the Head of Legal Services may refer the application for determination by Development and Regulation Committee.

[* Consultation requirements are set out in the Town and country Planning (Development Management Procedure) (England) Order 2015 Part 4 articles 18 and 20 and Schedule 4 (Appendix B)]

(c) For all applications

- i) Applications for approval of reserved matters following the grant of outline planning permission.
- ii) Applications for Minor Material Amendments to existing planning permissions.
- iii) Applications for Non-Material Amendments to existing planning permissions under Section 96A of the Town & Country Planning Act 1990.
- iv) Approvals required under Article 27 of the Town & Country Planning (Development Management Procedure) Order (England) 2015
- v) The imposition, before the release of a planning permission, of a condition, additional to those agreed by the Development and Regulation Committee, where the reply to a consultation, or similar information, received after the Committee meeting warrants such a condition and that

- condition accords wholly with the decision made by the Committee.
- vi) The making of a substantive response when consulted as Lead Local Flood Authority on matters such as sustainable urban drainage systems, surface water drainage and connected issues.
- 3. To issue a Planning Contravention Notice, Breach of Condition Notice, Enforcement Notice, Temporary Stop Notice or Stop Notice and to determine whether or not to prosecute offenders who do not comply with the requirements of such Notices. Before issuing a Stop Notice [but not a Temporary Stop Notice] the Director shall consult with the Chairman and Vice-Chairman of the Development and Regulation Committee and shall notify the local councillor(s) for that division.
- 4. To make representations to outside bodies on all matters relating to development proposals, provided such representations are not inconsistent with any criteria formally determined by councillors.
- 5. To be the Proper Officer of the County Council for the purpose of Ordnance Survey matters under Section 191 of the Local Government Act 1972 and for the purpose of receiving for deposit lists of buildings of special architectural or historic interest under the Planning (Listed Buildings and Conservation Areas) Act 1990.
- To adopt a "screening opinion", "scoping opinion" or to make a request 6. for further information in accordance with Parts 2, 3, 4, 5, 7, 9 and 10 of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011.
- 7. Determination of applications for Certificates of Lawfulness of Existing Use or Development and Certificates of Lawfulness of Proposed Use or Development
 - The Head of Planning, following consultation with the Head of Legal Services, shall determine all applications for Certificates of Lawfulness of Existing Use or Development and Certificates of Lawfulness of Proposed Use or Development under the Town and Country Planning Act 1990 (as amended).
- 8. Decisions on the use and distribution of any surplus from the On-Street Parking Account in consultation with the relevant Cabinet Member.
- 9. To consider, take decisions on, and sign Traffic Regulation Orders under Section 16A of the Road Traffic Regulation Act 1984, in consultation with the relevant Cabinet Member; and, where appropriate, refer matters to the Development and Regulation Committee.

Head of Finance - Responsible Financial Officer (under section 151 of the Local Government Act 1972)

- 1. To be responsible for the proper administration of the financial affairs of the Council in accordance with section 151 of the Local Government Act 1972, which responsibility shall include all arrangements concerning financial planning, financial control, banking, accounts, income, insurances, investments, bonds, loans, leasing, borrowing (including methods of borrowing), trust and pension funds (within the scope of the Council's pension fund investment policies that are approved by the Pension Fund Committee), the payment of creditors and the payment of salaries, wages, pension scheme benefits and gratuities.
- 2. To be responsible for the provisions of the Accounts and Audit Regulations 2015 in respect of the need to maintain an adequate and effective system of internal audit of the Council's accounting records and of its system of internal control in accordance with proper internal audit practices.
- 3. To be the Proper Officer of the Council in relation to the following statutory provisions:

Local Government Act 1972

- (1) Section 115(2) .. The officer to whom all money due from every officer employed by the Council shall be paid.
- (2) Section 146 .. The officer to make any statutory declaration in connection with the transfer of securities.

Local Government (Miscellaneous Provisions) Act 1976

(3) Section 30 .. The officer to write off overpayment of salary, allowances or pensions which occur as a result of the death of an employee or pensioner.

Local Government Finance Act 1988

(4) Section 114-115 .. The officer responsible for reporting on unlawful expenditure decisions or where expenditure exceeds the resources available.

Local Government Act 2003

(5) Section 25 .. The officer responsible for reporting on the robustness of the estimates made for the purposes of calculating the annual budget and precept, and the adequacy of the proposed

financial reserves.

Corporate Director of Health, Wellbeing and Children's Services

To exercise the functions of the County Council in the following areas:

- (a) Education services the Council's functions in its capacity as a local education authority, except those excluded under section 18(3) of the Children Act 2004 (namely certain functions relating to further education, higher education and adult education).
- (b) Social services the Council's social services functions within the meaning of the Local Authorities Social Services Act 1970, insofar as they relate to children, and the Council's functions for children and young people leaving care.
- (c) Health services any health related functions within Section 75 of the National Health Service Act 2006, insofar as they relate to children.
- (d) Inter-agency co-operation the Council's functions as set out in the Children Act 2004, in particular building and leading the arrangements for inter-agency co-operation as set out below:
 - Section 10 the duty to make and sustain arrangements to promote co-operation between the Council and its partner organisations to improve the well being of children in the Council's area.
 - 2. Section 11 – the duty to make arrangements to ensure the Council's functions are discharged having regard to the need to safeguard and promote the welfare of children.
 - 3. Section 12 – any duty to establish, maintain and operate a database of basic information on all children in the authority or, if the duty to create a database or databases is placed on another body, to participate in its operation.
 - Sections 13, 14, 15 and 16 the duty to establish a Local Safeguarding Children Board (LSCB) to co-ordinate and ensure the effectiveness of board members' activities for the purpose of safeguarding and promoting the welfare of children in the authority's area.
 - 5. Section 20(8)(d) - subject to consultation and the laying of Regulations, responsibility for co-ordinating statements of proposed action in light of a Joint Area Review report, in consultation with partners. In addition, the Director will also exercise a key role in monitoring and evaluating implementation of the proposed action.

(e) Other responsibilities

Seconding staff to the Youth Offending Team as required by section 1. 39(5) of the Crime and Disorder Act 1998.

- 2. The duty to promote the educational achievement of looked after children. This function is set out in section 22(3A) of the Children Act 1989 as amended by section 52 of the Children Act 2004; and
- 3. The duty to provide the Secretary of State, if she so directs an authority, with information on individual children. This function is set out in section 83(4A) of the Children Act 1989 as amended by section 52 of the Children Act 2004.

Corporate Director for Adult and Community Services

- 1. To exercise the functions of the County Council with regard to its responsibilities for care and support for adults, support for carers and safeguarding adults from abuse or neglect as set out in the Care Act 2014.
- 2. To undertake the function of the supervisory body for the purposes of the Mental Capacity Act 2005 Deprivation of Liberty Safeguards, and to act as Authorised Signatory when the supervisory body gives an authorisation for deprivation of liberty.
- 3. To exercise the functions of the County Council relating to libraries. museums, archives, the arts and heritage, and adult and community learning.

Fire and Rescue Service

The Chief Fire Officer and Executive Director for Public Safety is authorised to:

1. Licences, Notices and Registrations

Exercise the County Council's powers and duties arising by virtue of any provision under the statutes or any amendments, regulations or EC directives appertaining thereto listed in relevant legislation below

2. Appointment and Authorisation for Powers of Entry

Exercise the County Council's statutory powers with regard to authorising officers for the purposes of exercising powers of entry under relevant statutes.

Appointment of Fire Service Inspectors 3.

Exercise the County Council's statutory powers and duties to appoint such officers of the Service as are in the opinion of the Chief Officer suitably qualified to act as inspectors pursuant to relevant statute.

4. In consultation with the Head of HR, to exercise the functions of the County Council relating to all operations of the scheme manager discretions under the firefighters pension scheme regulations, subject to the observance of the appropriate statutory rules and limitations, and

to report annually to the Suffolk Firefighters' Pension Board any discretions so applied.

5. Exercise the County Council's statutory functions under relevant legislation and authorise officers to carry out such functions.

Legislation

The Fire and Rescue Services Act 2004

The Regulatory Reform (Fire Safety) Order 2005

The Health and Safety at Work etc. Act 1974

The Construction (Design and Management) Regulations 2007

The Theatres Act 1968

The Gaming Act 1968

The Cinemas Act 1985

The Local Government (Miscellaneous Provisions) Act 1982

The Licensing Act 2003

Policing and Crime Act 2017

Administer and negotiate general conditions of service issues for staff covered by the National Joint Council for Local Authority Fire Brigades and the Local Government Services Schemes of Conditions of Service.

Emergency Planning

To exercise the functions of the County Council under the Civil Contingencies Act 2004, the Radiation (Emergency Preparedness and Public Information) Regulations 2001, the Control of Major Accident Hazards Regulations 2015 and the Pipelines Safety Regulations 1996. These functions are routinely discharged by the Suffolk Joint Emergency Planning partnership established under the Local Authority (Goods & Services) Act 1970. The public information duty under Regulation 17 of the Radiation (Emergency Preparedness and Public Information) Regulations 2001 is routinely discharged by the Head of Communications.

Health and Safety

Representing the Corporate Leadership Team, act as the Health and Safety champion. This involves chairing the Safety, Health and Wellbeing Board (SHAW Board) in accordance with the Board's terms of reference to ensure continual improvement of the health and safety management arrangements at the County Council.

Director of Public Health

- To exercise the statutory public health function of the County Council under the Health and Social Care Act 2012.
- 2. To produce and publish a report on the health of the local population in accordance with Section 31 of the 2012 Act.

- 3. To have responsibility, in accordance with Section 30 of the 2012 Act, for:
 - all of the County Council's duties to take steps to improve the health of the people in its area;
 - any of the Secretary of State's public health protection or health improvement functions delegated to local authorities, either by arrangement or under regulations - these include services mandated by regulations made under section 6C of the 2006 Act, inserted by section 18 of the 2012 Act;
 - exercising the County Council's functions in planning for, and responding to, emergencies that present a risk to the public's health:
 - the County Council's role in co-operating with the police, the probation service and the prison service to assess the risks posed by violent or sexual offenders; and
 - such other public health functions as the Secretary of State specified in regulations.
- As well as those core functions, the Acts and regulations give the 4. Director of Public Health responsibility for:
 - the County Council's public health response as a responsible authority under the Licensing Act 2003, such as making representations about licensing applications (a function given to local authorities by sections 5(3), 13(4), 69(4) and 172B(4) of the Licensing Act, as amended by Schedule 5 of the 2012 Act);
 - ensuring that if the County Council provides or commissions a maternity or child health clinic, then through regulations made under section 73A(1), having responsibility for providing Healthy Start vitamins (a function conferred on local authorities by the Health Start and Welfare Food Regulations 2005 as amended); and
 - having a place on the Suffolk Health and Wellbeing Board (section 194(2)(d) of the 2012 Act.

Head of Trading Standards

To exercise the functions of the County Council under legislation concerning food, agriculture, weights and measures, consumer safety, consumer protection, petroleum, explosives, animal health and other fair trading matters.

To exercise the County Council's statutory functions under The Fire Safety and Places of Sport Act 1987 and authorise officers to carry out such functions.

To discharge the functions of the County Council under the Safety of Sports Grounds Act 1975 (as amended

Exercise the County Council's powers to undertake either directed surveillance or utilise covert human intelligence sources, whether employed by the Authority or otherwise subject to compliance with Regulation of Investigatory Powers Act.

Exercise the County Council's powers as consultee under any legislation including objecting to the issue of licences, consents, registrations or permissions and/or submitting responses or representation.