

SECTION 106 HEADS OF TERMS REQUIRED BY NORTH WALES POLICE FOR WYLFA NEWYDD

NUCLEAR POWER STATION

1. INTRODUCTION

- 1.1 North Wales Police (**NWP**) has prepared a comprehensive Assessment of the Impact on Police Demand, which has been submitted in two parts at Deadline 2 and Deadline 3 (**Impact Assessment**). This evidences the mitigation required to effectively police the North Wales area, for the lifetime of the proposed Wylfa Newydd Nuclear Power Station.
- 1.2 NWP previously submitted draft Heads of Terms at Deadline 2 [REP2-345]. These were revised at Deadline 3 [REP3-062] and Deadline 4 [REP4-043].
- 1.3 Since the last Issue Specific Hearing relating to the Development Consent Order (**DCO**) (on 9 January 2019), a meeting has taken place on 24 January 2019 between Horizon Nuclear Power (**HNP**) and NWP. NWP has also been forwarded a revised draft of the DCO section 106 agreement (**DCO S106**), which was sent through at the same time that meeting took place. NWP has not yet been provided with any draft Deed of Covenant (**DoC**), or other associated documentation, for review, although it is understood that a DoC document is in circulation.
- 1.4 The purpose of this document is to update the Examining Authority as to the status of negotiations with NWP on the DCOS106 and DoC drafting. NWP is fully aware of the timescales and the importance of narrowing the issues as much as possible at each Deadline. This document reflects the outcomes of recent discussions. Nonetheless, fundamental differences still remain between the parties as to quantum of the mitigation contribution and certain other key aspects of the section 106 agreement drafting.
- 1.5 Given the current position and the uncertainty surrounding the delivery of the proposed Wylfa Newydd Nuclear Power Station (**the Project**), delays during construction are a real possibility and the issues raised by NWP are now even more pertinent, with no actual certainty as to timescales for delivery, and ultimately as to who will develop the project. Mitigation is currently being agreed on the basis of an assessment that could be out of date, or at least certainly requiring some form of update. In this regard, it is even more important to NWP that there is certainty relating to the deliverability, monitoring and review of necessary mitigation to ensure that it is still robust and fit for purpose.

2. HEADLINE COMMENTS ON DRAFTING WITHIN SECTION 106 AGREEMENT

- 2.1 NWP intend to circulate a more detailed mark up to HNP and the Isle of Anglesey County Council (**IACC**) in due course. In the meantime, a summary of the key amendments NWP need to see are set out below:

2.1.1 NWP understand that the Welsh Government will no longer be a signatory to the DCO S106 and the concept of the WMNPOP has been disbanded. Whilst NWP still maintain that there is absolutely a clear and obvious need for NWP to be a signatory, it is accepted that there is a need to reach agreement between the parties and that becoming a party to the DCO S106 will not be possible in the current timescales available. NWP is therefore content to accept a bespoke DoC between IACC and HNP, provided that such a DoC is completed and appended to the DCO S106, or indeed signed and delivered with the finalising of the DCO S106. It is therefore imperative that NWP have sight of the current draft DoC and that this is negotiated and settled between the parties that will be a signatory to it as quickly as possible.

2.1.2 The requirement placed on IACC in clause 7.1.1 to "use reasonable endeavours" to enter into a DoC with third parties is not fit for purpose, given the importance and content of the DoC and what it is seeking to achieve in place of the DCO S106, and the inclusion of NWP as a signatory to the s106. NWP consider that the DoC, as stated above, should be agreed and signed, or, at least its drafting appended to the DCO S106. IACC and HNP then need to covenant to enter into that DoC with NWP in the form attached to the DCO S106. Therefore, NWP intend to insert a new clause 7.4, which places an obligation on IACC to enter into a DoC with NWP in the form agreed and appended to the DCOS106 prior to Commencement. NWP notes the comment from Clifford Chance at clause 7 of the DCOS106¹, which states there is no reason why the DoCs cannot be signed before the s106 agreement is completed. NWP absolutely agrees with this statement, but has not yet had sight of a draft DoC for review.

2.1.3 The Worker Accommodation portal mechanism in Schedule 5 must be updated to reflect the fact the portal is also to be used to monitor when workers enter and leave North Wales area for work and where workers are living. Every worker needs to register with the Worker Accommodation Portal where they are living throughout their period of employment. This is a vital requirement of the Worker Accommodation Portal for NWP and HNP did agree to the principle of mandatory registration during the Issue Specific Hearings in January. NWP need to be able to monitor how many workers are on the Isle of Anglesey at a particular point in time and the areas in which the workers are living.

2.1.4 There must be a requirement on IACC and on HNP to provide the monitoring data which is to be provided to the WAMS Oversight Board pursuant to Schedule 5 paragraph 8 to the Emergency Services Engagement Group (**ESEG**) as well. The drafting included at paragraph 8.3 is not sufficient.

2.1.5 Schedule 7 paragraph 5 relating to transport monitoring is currently incomplete, albeit NWP expect to be consulted on the detail of the monitoring requirements to be included in paragraph 5.1. NWP is providing detail to HNP as to what this section should contain. There is also a reference to 'monitoring returns' in paragraph 5.2; this is too vague as drafted and NWP requires the DCO S106 to set out what will be included in the 'monitoring return'. There must also be a requirement on IACC to send the monitoring returns to the ESEG on a quarterly basis. In relation to paragraph 5.4, NWP require the removal of 'significant'. The mitigation actions should apply if there are likely to be any adverse effects, not solely significant adverse effects.

2.1.6 NWP do not agree with the triggers or quantum set out in paragraph 3.1. In terms of the trigger for the first payment, HNP has proposed "Implementation", however to truly mitigate the impact of the construction of the Wylfa Newydd Nuclear Power Station, NWP require the first payment two years in advance of Implementation to allow time to recruit and train the necessary personnel. NWP note the DCOS106 obligations do not come into effect until Commencement, which is defined as any material operation carried out in relation to the Wylfa

¹ Draft: CC – 23 January 2019

Newydd Nuclear Power Station. If NWP cannot receive the first contribution two years in advance of substantial construction works commencing, the first payment needs to be made to NWP upon Commencement rather than Implementation. NWP is considering further mechanisms surrounding this drafting, in order to ensure that there is the necessary proactivity and communication from HNP protect NWP's statutory functions. The detail of such wording will follow as soon as possible. HNP and NWP have both proposed figures for the Public Services (Police) Contribution, however currently no agreement has been reached.

- 2.1.7 Schedule 9 paragraph 3 must contain a provision which allows adjustments to be made to the Public Services (Police) Contribution figure set out in the DCO S106 where necessary, if the impacts caused by the Wylfa Newydd DCO Project are different to those assessed in the DCO application or there is a delay or change in the construction programme.
- 2.1.8 NWP also requires the inclusion of a similar provision to that used in the Hinkley Point C (Nuclear Generating Station) Order 2013 Section 106 Agreement at Schedule 3 paragraph 3, which ensures that NWP can recover the cost of any unforeseen events which are caused as a direct result of the Wylfa Newydd DCO Project, like protests or evacuation events. This replaces the need for a contingency fund.
- 2.1.9 NWP is pleased to see that Schedule 9, paragraph 4 provides for the formation of an ESEG and sets out its duties and responsibilities. Firstly the Welsh Government does not need a representative on the ESEG. Secondly, as stated previously by NWP in written representations, the ESEG must have a defined role and the relevant mechanisms need to be secured in the DCO S106. The current drafting sets out roles and responsibilities, but does not contain any mechanisms for approving and commenting on the relevant plans. Therefore, NWP intends to prepare additional drafting for paragraph 4 (which will be submitted at Deadline 6) which sets out:
 - (a) a mechanism for approving the Community Safety Management Strategy and other relevant plans;
 - (b) an approval/ review mechanism for each of the plans the ESEG wish to agree and be consulted on;
 - (c) the mechanism relating to change management and ESEG having input and involvement in that change management process.
- 2.1.10 NWP will provide a summary of the role that ESEG requires within the DCO S106 to HNP and IACC.
- 2.1.11 In Schedule 17 paragraph 1.2, the period for repayment of unspent funds is ten years from the date of receipt, however this does not take into account any delay in the construction period. NWP submit this period should be ten years and in addition any extension to the construction period.

3. POSITION CURRENTLY REACHED ON HEADS OF TERMS

Application Reference	PINS Reference Number: EN010007			
Site Address	Wylfa Newydd Anglesey			
DCO	The draft Wylfa Newydd (Nuclear Generating Station) Order			
Applicant	Horizon Nuclear Power (HNP)			
Council	Isle of Anglesey County Council (IACC)			
Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
Notification of commencement	HNP must notify NWP of the date that it intends to commence development.	2 years prior to commencing development or upon completion the agreement, whichever is the earlier.	HNP are content to notify NWP of the Commencement Date seven days prior to the same and Implementation. This is included in the draft s106 agreement at clause 3.2	<p>NWP welcome being notified of Commencement and Implementation.</p> <p>However, NWP has requested two years' notice to allow the appropriate resources to be recruited and trained up. It is conceivable HNP will have at least a two year lead in time and seems reasonable for HNP to give this notice, especially given the scale of the project and the scope of works which are excluded from "Implementation" in the current draft.</p> <p>No agreement has been reached on this specific trigger as yet between the parties, however NWP is considering ways that certain</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
				obligations and commitments could be met via alternative section 106 obligation drafting and appropriate wording within the Community Safety Management Strategy (CSMS).
Police Construction Contribution	<p>HNP must make ten payments as set out below directly to NWP to be used for the purposes summarised at paragraph 3:</p> <p>Year 0: £2,511,000</p> <p>Year 1: £2,428,000</p> <p>Year 2: £2,735,000</p> <p>Year 3: £3,422,000</p> <p>Year 4: £3,775,000</p> <p>Year 5: £4,076,000</p> <p>Year 6: £3,639,000</p> <p>Year 7: £2,924,000</p> <p>Year 8: £1,608,000</p> <p>Year 9: £1,499,000.</p>	<p>The first payment is due upon the later of the date development consent is granted or 2 years prior to commencement of development, whichever is the earlier.</p> <p>Subsequent payments are payable on the anniversary of the first payment for a period of 9 years.</p>	<p>Horizon have proposed the following payments:</p> <p>£361,184.00 (Indexed) prior to Implementation;</p> <p>£361,184.00 (Indexed) on the first anniversary of Implementation;</p> <p>£583,088.00 (Indexed) on the second anniversary of Implementation;</p> <p>£713,616.00 (Indexed) on the third anniversary of Implementation;</p> <p>£713,616.00 (Indexed) on the fourth anniversary of Implementation;</p> <p>£713,616.00 (Indexed) on the fifth anniversary of Implementation;</p> <p>£713,616.00 (Indexed) on the sixth anniversary of</p>	<p>NWP disagrees with HNP's assessment of quantum.</p> <p>NWP and HNP met on 24 January with HNP's consultants and HNP has responded with a suggested quantum for the contribution. However the evidence basis for the assessment has not been provided and, in any event, NWP do not consider that the qualitative assessment undertaken by HNP is robust or fit for purpose.</p> <p>NWP also require a two year lead in time to recruit and train the necessary personnel – therefore receiving the first payment upon implementation does not adequately mitigate the impact of the development.</p> <p>As explained above, NWP note the difficulties associated with the payment</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
			Implementation; £713,616.00 (Indexed) on the seventh anniversary of Implementation; £713,616.00 (Indexed) on the eighth anniversary of Implementation; £583,088.00 (Indexed) on the ninth anniversary of Implementation;	of sums before "Commencement" within the DCO S106. Different mechanisms are therefore required in order to ensure that NWP's resources can be appropriately managed and that some form of mitigation is in place prior to that date.
Police Contribution report	NWP must provide HNP with a report setting out: <ul style="list-style-type: none"> • how the payments received to date have been spent; and • whether there has been an overspend or underspend – if there is an overspend (not exceeding 10% of the last payment) the additional funds are payable by HNP to NWP within 28 days (unless the matter is referred to arbitration or mediation) and if there is an underspend any surplus funds must be returned to HNP within 28 days. 	Three months following receipt of the second Police Construction Contribution payment and annually thereafter for a period of 9 years.	HNP are proposing this is set out in the Deed of Covenant between HNP, IACC and NWP so that HNP can enforce this obligation against NWP if necessary.	NWP is agreeable to this proposal, subject to agreeing detailed wording within a specific DoC for NWP.
Ceasing construction	If HNP cease construction for a period of more than 1 month, it	-	HNP do not want this provision to be included	This provision was included in light of the delays in the

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<p>may request a break in the Police Construction Contribution payments.</p> <p>NWP will prepare a summary of Administrative Running Costs (the costs in relation to maintaining increased resource for the proposed period that development will cease for), which will need to be covered during the break in payment within 28 days of receiving a request from HNP.</p> <p>HNP has 14 days to approve the level of Administrative Running Costs – any dispute is to be referred to arbitration or mediation.</p>		within the s106 agreement as it does not envisage there will ever be a pause in construction.	construction programme at Hinkley. This provision is for the benefit of HNP, therefore NWP is content for it to be removed from the proposed Heads of Terms.
Delay in construction programme	NWP may revise its impact assessment in accordance with the terms below if there is a delay of more than 1 month in the construction timetable.		As above, HNP do not envisage a delay so are not agreeable to the inclusion of this provision.	<p>This provision is vital for NWP as some sort of delay in the construction programme may have a significant impact on the mitigation required as the impact assessment carried out is based on the proposed construction programme.</p> <p>Given the uncertainty surrounding the delivery of the development and the proposed commencement date, NWP consider it vital that this provision is included.</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
Monitoring data	<p>NWP must be provided with all monitoring data in relation to:</p> <ul style="list-style-type: none"> • The Workers Accommodation Portal – this data must as a minimum set out how many workers are currently employed by HNP and where they are living; and • Traffic and Transport – this data must as a minimum show the number of additional vehicles using the roads in North Wales as a direct consequence of the Project, <p>in accordance with the provisions below.</p>		<p>The revised s106 includes a provision in Schedule 5 paragraph 8.3 which allows the WAMS Oversight Board to share the accommodation monitoring data with NWP</p> <p>The revised s106 includes a provision in Schedule 7 paragraph 5.3 which permits the Council to share the traffic monitoring data with NWP</p>	<p>This wording does not oblige the WAMS Oversight Board to share or distribute the data. NWP require an obligation placed directly on HNP to provide NWP with the accommodation monitoring data. In discussions with HNP, NWP understood that this was going to be provided to them directly and is disappointed that this has been agreed verbally, but is not properly reflected in the drafting.</p> <p>The obligation drafting currently states that data does not have to be provided to NWP, it is entirely discretionary.</p> <p>Furthermore, NWP requires an obligation placed directly on HNP to provide NWP with the accommodation monitoring data and for a definition of monitoring data to be clearly set out in the DCO S106.</p>
Revised impact assessment	<p>NWP may request monitoring data (see above) from HNP no more than bi-annually.</p> <p>The data must be received within 14 days of receiving a request.</p>	<p>Following the first payment and no more than once a year.</p>	<p>Although HNP is content to provide monitoring data, it does not agree to the inclusion of the rest of this provision.</p>	<p>This is a vital provision for NWP given the uncertainty surrounding the delivery of the development and the proposed commencement</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<p>Following receipt of the monitoring data NWP may prepare an updated impact assessment (if deemed necessary) and submit this to IACC and HNP for review. This must set out the justification for any revised calculations for the mitigation requirements.</p> <p>HNP has a period of 14 days to review the revised impact assessment and confirm whether it is agreed.</p> <p>If HNP does not agree with the report, it has a right to reply and make comments/counter proposals within 35 days of receiving the report.</p> <p>If NWP do not agree with any revisions proposed by HNP, the process can be referred to arbitration or mediation, which requires the process to be dealt with in full within a 28 day period. That decision is binding and final.</p>		<p>It has commented that a provision of this type may deter prospective developers or funders.</p>	<p>date.</p> <p>In any event, if HNP is confident in its assessment, then there is no reason for the provision to be resisted.</p> <p>The assessment has been carried out using the proposed construction timetable and changes to this may have significant effects on the level of mitigation required – such changes could reduce the level of mitigation required, therefore should not act as a deterrent to prospective developers or funders.</p> <p>HNP has stated that any change that is outside of the parameters of the environmental assessment would require an application for a non-material change and NWP will be given opportunity to comment on the change. However, the non-material change may or may not relate to anything relating to the NWP assessment and, as such, simply relying on future non-material changes is inherently flawed.</p> <p>Therefore NWP must be</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
				<p>notified of any changes and given an opportunity to revise its Impact Assessment, if appropriate.</p> <p>NWP also envisage that as the detailed design is finalised and more controls are finalised, NWP will be able to more accurately calculate the impact, therefore it is in the interest of both parties to have a review mechanism.</p> <p>Hinkley Point C has demonstrated the difficulty in predicting and monitoring workforce numbers and traffic impacts, therefore as stated above this provision is vital for NWP.</p>
Decommissioning	<p>At the point of decommissioning, HNP must supply NWP with a copy of the environmental impact assessment in order that NWP can carry out an assessment on the impacts of decommissioning on NWP resources (decommissioning assessment).</p> <p>HNP must make any additional payments identified by the decommissioning assessment in</p>		<p>Decommissioning will be dealt with separately under the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 and NWP will be consulted.</p>	<p>NWP agree that this provision does not need to be included within the DCO S106.</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<p>accordance with the timings set out in the assessment.</p> <p>If HNP do not agree with the mitigation proposed by NWP, the process can be referred to arbitration or mediation, which requires the process to be dealt with in full within a 28 day period. That decision is binding and final.</p>			
Contingency fund for emergency services	<p>A contingency fund for emergency services must be secured within the section 106 agreement.</p> <p>The administration procedures must be set out to ensure there is a robust set of criteria against which any request for funds can be considered by WNMPOP.</p> <p>There must be an obligation that requires HNP to make a payment to NWP from the contingency fund in the event that unforeseen mitigation is required in relation to a one-off event which falls outside of the scope of the impact assessment (e.g. an evacuation event or a protest).</p> <p>NWP must apply to WNMPOP for a payment which will be assessed against the criteria for funding requests before the application is determined.</p>	-	<p>HNP has confirmed that this will not be available to NWP and the mechanism in the s106 agreement has been altered so that the contingency funds are paid to the Council for distribution.</p>	<p>NWP requires access to funding for intangible mitigation if necessary. Although this may not be referred to as a 'contingency fund', the DCO S106 must include a provision which provides NWP with access to funding for unforeseeable events.</p> <p>In light of Horizon's comment, NWP proposes to include similar provisions to those included in the Hinkley Point C (Nuclear Generating Station) Order 2013 DCO Section 106 Agreement, which will ensure that NWP can recover the cost of any unforeseen events which are caused as a direct result of the Wylfa Newydd DCO Project, like protests or evacuation events from HNP.</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
Emergency Services Consultation Group	<p>HNP must establish an Emergency Services Engagement Group (ESEG), which must consist of at least one representative from each emergency service. The ESEG must have a representative sitting on board of the WNMPOP, or, if the WNMPOP is not considered the most robust mechanism to review and monitor various plans and documentation, the ESEG will sit as a standalone consultee group.</p> <p>Role in relation to plans</p> <p>The ESCG must convene to review the operation of the relevant plans secured through the DCO and consider whether the plans remain appropriate once approved. It must also be notified of any proposed changes to these plans submitted to IACC by HNP and given an opportunity to comment on these changes.</p> <p>The ESCG may also suggest any changes deemed necessary to IACC for approval, provided those changes do not lead to materially new or different environmental effects.</p> <p>Any changes must also be reported to the Applicant who have 14 days to comment on the changes. If no agreement can be</p>	<p>Prior to commencement of development.</p> <p>At least four times a year for the first 10 years following commencement of development and twice a year thereafter for the lifetime of the development.</p>	<p>HNP has agreed that the s106 agreement can be used to establish an Emergency Services Engagement Group (ESEG) and has included new drafting in Schedule 9 of the revised s106 agreement.</p>	<p>NWP welcomes the inclusion of this new drafting, and are content with the change of name of the group. However, the drafting lacks detail. The powers and abilities of the ESEG must be set out in full in Schedule 9.</p> <p>NWP will propose detailed mechanisms that secures ESEG's role in relation the approval of plans and change management.</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<p>reached the matter should be referred to mediation or arbitration.</p> <p>The relevant plans are:</p> <ul style="list-style-type: none"> • Code of construction practice; • Code of operational practice; • Sub codes of construction practice for associated developments; • Code of conduct; • Supplier code of conduct; • Workforce accommodation strategy; • Community safety management strategy; • Health and Wellbeing strategy; • Operational travel strategy; • (Offsite) Site security plan; • Protest management strategy; • Traffic incident management plan; • Construction traffic management strategy; • Operation traffic 			

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<p>management strategy;</p> <ul style="list-style-type: none"> • MOLF operational plan; and • Abnormal Indivisible Load Management Plan. <p>Role in relation to other changes</p> <p>The ESCG must be notified of any other change to the schemes construction or operation, applied for by HNP to IACC pursuant to Schedule 19 of the DCO (see submissions on Schedule 19 in the ISH2 DCO note) and given an opportunity to comment on these changes.</p> <p>The ESEG may also suggest any alterations to the proposed changes deemed necessary to IACC for approval, provided those alterations do not lead to materially new or different environmental effects.</p>			
Approval of plans	<p>ESCG must give prior approval of the following plans before IACC as discharging authority approve these plans:</p> <ul style="list-style-type: none"> • Code of Conduct and Supplier Code of Conduct (if separate); • Protest management strategy; 		<p>The revised draft s106 agreement does not currently address this provision.</p>	<p>This is a vital role of the ESEG and must be reflected in the drafting in Schedule 9 paragraph 4.</p> <p>Wording has been proposed to HNP and NWP understand that an approval mechanism will be accepted</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<ul style="list-style-type: none"> • Traffic incident management plan; • Health and wellbeing strategy (if it includes safeguarding); and • MOLF operational plan. <p>ESCG must be consulted on the following plans prior to being approved by IACC:</p> <ul style="list-style-type: none"> • Code of construction practice; • Code of operational practice; • Sub-Code of construction practice; • Site Security Plan; • Operational travel strategy; • MOLF Operational Plan; • Construction traffic management strategy; • Operation traffic management strategy; and • Abnormal Indivisible Loads Management Plan <p><i>This may be secured within the wording of the requirements in the DCO rather than forming part of the s106 obligations.</i></p>			in principle by HNP.

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
Community safety management strategy (CSMS)	<p>The CoCP states that the "Emergency Services Engagement Sub-Group" (ESESG) will prepare the CSMS at paragraphs 3.4.6 to 3.4.10. The ESESG contains a wider group of stakeholders than the ESCG, containing a number of other bodies, including IACC.</p> <p>On this basis, the ESESG must give prior approval of this strategy before IACC as discharging authority approves the CSMS.</p>		<p>The revised s106 agreement states that the ESESG will agree the CSMS.</p>	<p>The drafting needs to contain more detail on the interaction of ESESG's role with IACC's role as discharging authority.</p> <p>This matter was discussed at the meeting between NWP and HNP on 24 January 2019 and several important principles for inclusion were established. A revised draft of the CoCP is going to be sent to NWP for review, however discussions are ongoing.</p>
Community Impact Fund	<p>The ESCG Emergency Services Engagement Group must be notified of any applications for funds from the Community Impact Fund.</p> <p>The ESCG must be given two weeks to review the application and decide whether the application affects or relates to community safety.</p> <p>If the ESCG Group decides the application does affect or relate to community safety, it will be appointed as one of the bodies responsible for determining the application. A mechanism must be established within the Section 106</p>	-	<p>The revised s106 includes drafting at Schedule 12 paragraph 2.2.2, which provides that the Council must consult with NWP in considering applications for funding from the Community Fund received in respect of matters which could impact on public safety.</p>	<p>NWP is content with this principle, but may have some minor drafting amendments.</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	Agreement in order to ensure that the Community Impact Fund is properly distributed and controlled.			
Temporary Police Facility	HNP must pay £683,000 to NWP to construct a new police station to accommodate the additional policing resource.	Upon completion of the s106 agreement.	HNP do not agree to the inclusion of this provision.	To adequately mitigate the impacts of the development, NWP will need additional space to accommodate the additional resource. The most appropriate and cost effective option is using land which already forms part of the NWP estate to build a temporary police station. NWP understands from dialogue with HNP that there may be alternative options based around the provision of a temporary facility by HNP closer to the development site. However, as yet, no formal alternative proposal has been provided by HNP.
Police arbitration/mediation clause	<p>The disputes clause (clause 12) included in the draft s106 but requires some changes.</p> <ul style="list-style-type: none"> the parties must be updated to include NWP and ESCG; a set timescale is required for the appointment of an expert (15 working days); the appointment of a solicitor 	-	HNP are not willing to consider NWP comments as it is not a party to the s106 agreement.	HNP has used a basic version of an arbitration clause, which is not fit for purpose. The DCO S106 deals with payments of money which benefit NWP and therefore it is in NWP's interest that the clause is fit for purpose and its comments on the operation of the arbitration clause

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	<p>must be as soon as reasonably practicable following referral to the Law Society president;</p> <ul style="list-style-type: none"> there must be timescales for notifying the parties of a hearing date or that a decision will be made on the papers (15 working days); and the expert must be required to make requests for submissions or supporting material within a set timeframe (10 working days). <p>If a deed of covenant is to be used, NWP intend to include its own disputes clause.</p>			<p>should be reviewed.</p> <p>The amendments proposed ensure that the arbitration mechanism works in a timely manner and disputes do not get held in abeyance for indefinite periods of time.</p>
Professional fees	To pay all reasonable professional fees incurred by NWP in connection with the negotiation and completion of the section 106 agreement.	Upon completion of the section 106 agreement.	HNP do not agree these should be included in the s106 agreement	NWP expects this provision to be included in the Deed of Covenant.
Indexation	<p>All payments payable to NWP should be index linked to the Retail Price Index (RPI), but NWP have the right to review this provision if at any time inflation exceeds RPI.</p> <p>The current s106 draft uses CPI, therefore additional wording needs to be included in Schedule 9 to confirm an alternative index</p>			<p>Mark Gore Associates as part of their counter proposal for policing resources proposed that cost recovery should be on the basis of the NPCC Guideline on Charging for Police Services methodology on a Full Economic Cost recovery</p>

Proposed Obligations				
	Obligation	Trigger	HNP Position	NWP Response
	applies.			<p>basis.</p> <p>In response to Mark Gore Associates NWP fed back that <i>“Having reviewed our original submission and with the benefit of hindsight such an approach simplifies both the methodology and ensures a consistency of approach between ourselves”</i>.</p> <p>Given the above it is proposed that rather than basing the indexation on RPI/CPI it be based on the “NPCC Guideline on Charging for Police Services methodology on a Full Economic Cost recovery basis” which is updated annually and is basis for cost recovery for any functions/resources over and above “Core Policing Duties” in keeping with Section 25 of the 1996 Police Act.</p>

4. JUSTIFICATION FOR CONTRIBUTION

4.1 Police Resourcing Requirement

4.1.1 In Wales there is a strong positive correlation between population and reported incidents and crime, meaning areas with larger populations experience more reported incidents and crime. Models based on this principle show the estimated population increase of 7000 at the point of the Peak Worker Scenario in 2023 as defined by Horizon is likely to result in a 7.8% increase in crime and a 6.1% increase in reported incidents.

4.1.2 The Impact Assessment sets out in detail the need for additional resourcing, but a summary of the additional fulltime employees required and associated costs are shown in the table below:

Function	Year 0		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Year 9	
	FTE	£k	FTE	£k	FTE	£k	FTE	£k	FTE	£k	FTE	£k	FTE	£k	FTE	£k	FTE	£k	FTE	£k
Local Policing	9	154	6	281	9	408	13	583	17	768	17	768	17	768	9	408	3	154	9	154
Custody	0	0	0	0	0	0	0	0	1	41	1	41	1	41	0	0	0	0	0	0
Operational and Emergency Planning	1	48	1	48	1	48	2	96	2	96	2	96	2	96	1	48	1	48		
Road Policing Unit – RPU and Commercial Vehicle Unit	9	455	18	868	22	1,059	26	1,250	26	1,250	26	1,250	26	1,250	22	1,059	9	455	9	455
Force Control Centre	1	36	1	36	1	36	2	73	2	73	2	73	2	73	1	36	1	36	0	0
Managed Response Unit	0	0	0.25	8	0.25	8	0.5	15	0.5	15	0.5	15	0.25	15	0.25	8	0	0	0	0
Investigation Support Unit	0	0	0.25	8	0.25	8	0.5	15	0.5	15	0.5	15	0.25	15	0.25	8	0	0	0	0
Crime Services	3	143	3	143	4	191	5	239	5	239	5	239	5	239	4	191	3	143	2	96

Function	Year 0		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Year 9	
	FTE	£k																		
Administration of Justice	0	0	0.5	15	0.5	15	1	30	1	30	1	30	1	30	0.5	15	0	0	0	0
Programme Management and Support	2	96	2	96	2	96	2	96	2	96	2	96	2	96	2	96	2	96	2	96
Training	5	239	4	191	3	144	3	144	2	96	2	96	2	96	2	96	2	96	2	96
Overheads		351		508		603		762		815		815		815		603		308		283
Exit Costs		0		0		0		0		0		0		0		272		272		272
Total Requirement	24	1,523	36	2,201	43	2,615	55	3,302	59	3,533	59	3,533	59	3,533	43	2,886	21	1,608	19	1,499

4.2 Policing Capital Requirement

In addition to resource, capital investment in infrastructure is also required to support the core policing. This has been broken down into four main elements. The total investment required over years 0-9 is £3,065,000 with all costs based on current 2018-19 costs is set out below.

Function	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total
Facilities (Using land which is currently part of the NWP estate and building a new police station)	683	0	0	0	0	0	0	0	0	0	683
Vehicle Costs (Based on three models currently used by NWP, a full breakdown is	285	184	110	101	199	224	95	0	0	0	1,237

Function										Total
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
available in the Impact Assessment)										
Equipment Costs (ANPR cameras, average speed cameras and ProLaser)	642	0	0	0	300	0	0	0	0	942
IT Infrastructure (Laptops, desktops, tablets, airwave radios, mobiles etc)	62	43	11	18	42	18	11	0	0	204
Total Costs £k	1671	227	121	119	241	542	105	0	0	3,065