



THE SECTION 106 AGREEMENT FOR THE HINKLEY POINT C SITE PREPARATION WORKS – A GUIDE

INTRODUCTION

This note has been prepared as a guide to the Section 106 agreement (a legally binding agreement) that accompanies the planning application for site preparation works at Hinkley Point C (HPC). The agreement runs to many pages, so this note is intended as an overview. It should not be relied upon as an accurate account of everything in the document. The full Section 106 agreement can be viewed on the website of West Somerset Council and at the offices of either West Somerset Council (WSC) or Sedgemoor District Council (SDC). Although the Section 106 agreement refers to the applicant as NNB GenCo, this document uses the more familiar name, EDF Energy.

BACKGROUND

West Somerset Council's Planning Committee resolved to grant planning permission to EDF Energy at its meeting July 28 2011 at Hinkley Point subject to a number of conditions being imposed and a Section 106 agreement being entered into. These were negotiated throughout the planning application process and have been agreed between the relevant parties who include the local authorities, applicant and landowner. The agreement was signed and a decision notice issued on January 27 2012.

Section 106 of the Town and Country Planning Act 1990 allows local authorities to enter into legally binding agreements which enable them to address matters necessary to make a development acceptable in planning terms by, for example, supporting local services or infrastructure.

The development permitted includes:- **site clearance** (including fencing, vegetation removal, demolition of existing structures and creation of alternative footpaths); **earthworks** (including soil stripping and storage, leveling, spoil screening and storage for re-use on-site); **earth retaining structures**; **deep excavations**; **drainage infrastructure** (including culverts, outfalls, balancing ponds); **operation of plant and machinery** (including concrete batching) and **site establishment** (including layover facilities, car parks, haulage roads, site access points and roundabouts).

In the event that EDF Energy's application to the IPC for the proposed power station at Hinkley Point C is not given consent, all structures would be removed and the site reinstated in accordance with a series of plans set out in the application.

SECTION 106 HEADLINES

EDF Energy has agreed to make financial contributions totalling almost £30m towards offsetting the impacts of its work to prepare the site for a nuclear power station. Included in the overall sum is a contribution of £7.2m towards mitigating the impacts of the scheme that are not covered specifically by any of the other items. This is a Community Impact Mitigation (CIM) contribution. Other larger contributions include:-

- Various sums for **Transport** including the costs of carrying out highways improvements
- More than £4.1m for **Skills and Training** (helping local people prepare for and take advantage of the employment opportunities that should arise from the project)
- £4m for **Accommodation and Housing** (to mitigate any adverse effects on the rented or low cost housing sector)
- £2m for **Leisure** (to mitigate impacts on leisure facilities and open space)
- £1.8m for **Services from the local authorities** (paying for officers' time spent on assisting delivery and monitoring the project)
- £1.8m for **Community Safety**

It should be noted that some of the contributions within the Section 106 agreement will only be paid at certain stages of the project. These are referred to within the document as 'phases' and consist of phase 0 to phase 4. [Phase 0 is likely to begin in February this year, phase 1 in April, Phase 2 in June 2012] Phases 3 and 4 cover any lag between the completion of the development and the potential reinstatement of the site.

The Board

The Cabinet at West Somerset Council will decide which projects are to be funded. For those projects seeking contributions of over £25,000 the decision will be taken by West Somerset's Full Council.

To decide which projects are to be recommended for approval to WSC's Cabinet and Council, a Board will be set up, comprising 2 representatives from the following organisations:

West Somerset Council

Sedgemoor District Council

Somerset County Council

EDF Energy

The Board will be chaired West Somerset Council and the chair will have a casting vote if required.

The Board will be responsible making recommendations regarding the following contributions:

- The Community Impact Contribution
- The Annual Community Impact Contribution
- The Housing Contribution

The Board will also examine bids under the Economic Development Contribution although the proportion of this contribution held by Sedgemoor will not need to be presented to West Somerset's Cabinet.

Bids will need to be submitted in advance of a Board meeting to the Major Projects Manager at West Somerset Council who will score and check the eligibility of bids against an agreed set of criteria. A bid form will need to be completed for all projects.

Given the unique circumstances regarding the development and the impact in Stogursey Parish, CIM measures put forward by Stogursey Parish Council or community impact measures within Stogursey which have the written support of Stogursey Parish Council (who shall have considered and voted upon such measures at an open public meeting) shall be considered by West Somerset Council's Cabinet without reference to the Board

This Board will assess bids for funds based on a number of agreed criteria as outlined in Schedule 1 of the full Section 106 agreement. Members of parish councils will be able to attend meetings of the Board as observers.

Bids will not be required to meet all criteria but all criteria will be taken into account.

The Board shall recognise that the degree of actual or potential impact varies across the geography of the administrative areas of West Somerset Council and Sedgemoor Council and the wider County of Somerset area and that the application of funds from the Community Impact Contribution should reflect this.

Overview of the Contributions

The contributions from EDF have been themed in to 19 schedules in the Section 106 agreement. Each schedule contains a definitions and interpretation section, details and requirements of the contribution and also the maximum liability of EDF Energy. An overview of each of the schedules is provided below.

Schedule 1 – General

This schedule details the principles of the contribution and also outlines the principle for operation of the Board.

Schedule 2 - Accommodation and Housing

EDF Energy will run an Accommodation Office to help the workforce find accommodation and help local people and businesses wishing to provide it.

The **£4m** contribution will go towards initiatives that help deliver additional housing capacity and support in West Somerset and Sedgemoor District areas where necessary to mitigate the results of local housing pressure created by the project. Such initiatives will include bringing empty homes back into use, seeking funding from other bodies and stimulating new supply in the private rented sector. The money will also fund a housing initiative implementation officer for each Council.

Schedule 3 - Community Impact Mitigation (CIM)

Money assigned to the CIM Fund (**£7.2m**). The contribution is split in to three elements:

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|---|-------------------------------|
| 1. Annual Community Impact Contribution | £3.2m (two payments of £1.6m) |
| 2. Community Impact Contribution | £3.5m |
| 3. Stogursey Contribution | £500,000 |

There are portions especially set aside for communities in West Somerset (£2m); Cannington (£500,000) and Sedgemoor, particularly Bridgwater (£1m). A sum is also ring fenced for contributing towards the cost of Parish Liaison and Community Safety Officer and Joint Community Safety Project Officers.

Schedule 4 - Community Safety

The Community Safety Contribution is **£1.8m**. The money will contribute to the costs of community safety officers and expenses that might arise from any protest, demonstration or disturbance as a result of the project. Money will be available for the police, fire and ambulance services to support them in fulfilling additional duties relating to the project.

Schedule 5 - Ecology

EDF Energy is required to pay a **£250,000** ecology contribution before it starts Phase 1. The money will provide planting, aftercare and management designed to promote the conservation of barbastelle bats and ecology. A wildflower meadow will also be created as part of a scheme to provide alternative habitat. ***Schedule 6 - Economic Development***

A total contribution of **£617,880** will be made towards Economic Development. It will assist with the costs of employing an Economic Development Officer (or officers) to support existing enterprises in West Somerset and Sedgemoor affected by the project and to help create new initiatives which can benefit from the opportunities. The aim is for this money to go towards building a resilient economy for the areas' longer term futures and avoid a vacuum being left when the construction phases of the project finish.

Schedule 7 - Education

EDF Energy must submit an Education Strategy to the County Council before Phase 1. EDF Energy has also agreed to establish an education fund to the amount of £300,000. EDF Energy has committed to spend this fund before the end of September 2014 on the education strategy. The strategy is to be designed to resource and inspire interest in Maths, Science, Technology and Engineering. EDF Energy is also required to monitor and report to the County Council every six months the activity and expenditure of both the Education Fund and Strategy. In addition to the monitoring of the Fund and Strategy, EDF Energy will monitor every three months the number of children coming into Somerset as a result of workers being engaged on the project.

Schedule 8 - Health

A maximum of **£60,000** will be made available to the Primary Care Trust and West Somerset Council for work on identifying and dealing with any impacts on the health of local people of the preparatory work. It will also go towards services where these are in demand from the additional workforce.

Schedule 9 - Archaeology and Heritage

A fund will be set up to compensate for the loss of archaeological remains and the damage to the caused by the activity on site. Almost half the **£450,000** will be paid before any work starts, with the remainder to be paid before the implementation of Phase 2. The fund will be used to monitor and manage the impact on archaeological remains, education and outreach programmes, work in conservation areas and the affect of traffic.

Schedule 10 – Landscape and Visual

Payments totalling **£610,000** will go towards mitigating the impact of the work on the landscape and in particular the effect on views from the Quantock Hills which is an Area of Outstanding Natural Beauty (ANOB). There will be money for a programme of landscape art available before Phase 1; for a Landscape Development Fund; a Landscape Improvement Scheme; a project officer and a land management and skills scheme.

Schedule 11 - Leisure

The total leisure contribution is **£2m**. Of this £750,000 will be paid to West Somerset, and £1.25m to Sedgemoor. Of the West Somerset contribution £500,000 is intended for the Parish of Stogursey. In Sedgemoor, £250,000 is to be a contribution towards the pool at Chilton Trinity Technical College; £500,000 is set aside for facilities in Cannington and £500,000 for Bridgwater facilities. Some of the money may be used for feasibility studies into what leisure provision is required.

Schedule 12 - Public Rights of Way

Contributions totalling **£539,279** will be made to Somerset County Council towards the cost of work on public rights of way needed as a result of the project and paid in stages to coincide with the project's five phases. Before Phase 1 starts, EDF Energy must have plans for restoring and enhancing public rights of way approved by the County Council. EDF Energy is also required to, where possible, provide alternative access ways before closing any on the site and to keep them open and in good repair.

Schedule 13 - Skills and Training

The contribution towards skills and training is to be paid in instalments. Sedgemoor will receive funding towards an Employment and Skills Officer and a Community Outreach Worker. West Somerset will also receive funding for a Community Outreach Worker and the County will have a contribution towards a Young Persons' Support Worker.

Bridgwater College will receive £2,000,000 for its Construction Skills and Energy Skills Centres - the Energy Skills Centre having already received £500,000 in advance. The Enterprise and Hinkley Ready Skills Projects at West Somerset Community College receive funding of £1.6m. Fit to Work Programmes in West Somerset and Sedgemoor will receive two instalments of £30,000.

In total EDF Energy will be paying **£4.18m** in Skills and Training Contributions. EDF Energy is also required to carry out an Employee Impact Study within two months of Phase 2 completion.

Further to the financial contribution EDF Energy is expected to use Reasonable Endeavours to see that at least 60% of the workforce is home-based. EDF Energy should also have an Employment and Skills Charter that sets out the training and job opportunities for local people that will be available in the main project if it goes ahead.

Schedule 14 - Service Level Agreement

The two district councils will be paid money amounting to **£1.8m** at specified intervals under a Service Level Agreement. This is to assist in covering the services that their officers will undertake in relation to the preliminary work, for example in overseeing the work from a planning perspective, monitoring the work for compliance with conditions and implementing a number of the initiatives detailed in the schedules above. The councils' services will be the subject of reviews against agreed performance standards as outlined in the schedule.

Schedule 15 - Tourism

A contribution of **£700,000** from EDF Energy will be paid in instalments to West Somerset for the Tourism Action Partnership which is made up of the County, West Somerset and Sedgemoor. The money will support its Strategy, Marketing and Promotional Initiatives. The contribution includes funding for a Tourism Monitoring Survey; support for Tourist Information Centres and an Information Centre for the Project and also a tourism officer or officers to be employed by West Somerset and/or Sedgemoor Council.

Schedule 16 - Transport

Roundabouts at Washford Cross and Sandford Hill, an improvement to the junction of Taunton Road with Broadway in Bridgwater, traffic calming measures in Cannington, junction improvements at Claylands Corner, a Horse Crossing on the C182 and a contribution to a Transport Steering Group for overseeing highways improvements are all covered by the schedule concerned with Transport.

EDF Energy will use Reasonable Endeavours to secure access to third party land and/or obtain third party consents for carrying out work at Washford Cross before the main earth works (Phase 2) begins (or as agreed with WSC and SCC). The work on Sandford Hill roundabout should be completed within nine months of Phase 2 beginning. A scheme for the Broadway Junction in Bridgwater should be agreed as soon as possible and finished within six months of the start of Phase 2 where the desired result can be achieved within the existing highway land. If this cannot be done, there should be an interim scheme completed before the end of Phase 2. Traffic calming measures for Cannington and a Horse Crossing on the C182 should be completed before Phase 2.

Surveys on the condition of the routes used by Heavy Goods Vehicles connected with the development will be carried out at intervals and where they show any deterioration linked to that use, EDF Energy will pay for returning them to their former condition. The company will ensure it does not use highway structures for abnormal loads unless it has done an inspection of the structure first and asked the County Council for permission. It will fund any strengthening required and any maintenance which is found to be necessary as a result of use by development traffic.

In the event that EDF Energy's Traffic Management and Travel Plans do not achieve what has been agreed, the company will be expected to propose measures to deal with the shortcomings.

A Transport Steering Group with representatives of the councils and the company will be funded to monitor how all transport related matters are progressing and see where improvements can be made. The contribution for transport is **£3.5m**.

Schedule 17 – Reinstatement

This schedule sets out that EDF will reinstate the site if its power station development does not receive consent within 5 years. It also provides that £63m will be set aside for West Somerset Council to reinstate the site if EDF do not do so.

Schedule 18 – Noise Insulation Scheme

This schedule outlines that the EDF Energy noise insulation scheme shall be implemented throughout phases 1 and 2 of the development. EDF Energy are also required to submit to West Somerset every six months a report on the implementation of the Noise Insulation Scheme including information on the take up of the scheme and the number of applications that have been approved and the number that have not been approved.

Schedule 19 – The Councils' General Obligations

This schedule outlines the Councils' obligations in relation to application of contributions and unspent contributions.

List of plans and annexes

Accompanying the Section 106 agreement is a list of plans and annexes which are referred to within the main body of the agreement.