

## Summary Note on International Benefits Packages

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### Introduction

The aim of this note is to provide a summary of the benefits packages that have been made available in other countries in relation to radioactive waste management facilities and an indication of which of these might not be possible in the UK. It is based on a paper that was developed as part of the Managing Radioactive Waste Safely (MRWS) programme<sup>1</sup> and a summary paper provided to the West Cumbria MRWS Partnership<sup>2</sup>. The overarching aim of benefits packages is to promote community wellbeing. Each country has different benefits depending on its:

- History – how the waste management facility has been developed and what policies relate to it;
- Legislation on benefits – what laws are in place surrounding benefits packages and how they apply to radioactive waste management facilities;
- Wastes being considered – in some countries there are different benefits packages associated with different types of wastes.

### Types of Benefits

Benefits can be grouped under the following categories:

- Community empowerment
- Direct
- Social
- Economic
- Intergenerational

The following paragraphs outline what each of these measures have included and table 1 gives a list of the sorts of benefits that can be included in the different categories.

**Community Empowerment Measures:** Such measures are designed to enable the community to participate in and influence the debate surrounding the development of the facility. These benefits are usually made available as soon as a community volunteers to participate in the site investigation process or when they are considering whether to

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<sup>1</sup> NDA, Defra, DTI, Department of the Environment Northern Ireland, Welsh Assembly Government, *Managing Radioactive Waste Safely: Literature Review of International Experiences of Community Partnerships*, 2007.

<sup>2</sup> NDA, *Managing Radioactive Waste Safely: Literature Review of International Experiences of Community Partnerships - Summary of benefits to international communities participating in radioactive waste management programmes*, 2009.

volunteer. Some resources may even be made available to enable a community to decide whether it wants to volunteer to participate.

**Direct Benefits:** These benefits arise from the implementation of the facility itself, for example an increase in local employment or increased local infrastructure. In order to maximise the direct benefits it is important to work with the local community to enable the facility to bring added value to the area.

**Social Benefits:** These are designed to offset any potential negative impacts attached to hosting a facility. Some of these benefits may be made available during the site investigation process, for example, support of local service industries.

**Economic Benefits (or Recompense):** These benefits include a variety of mechanisms for economic regeneration at a local and regional level, infrastructure projects and ongoing business incentives. These are usually initiated once a site has been chosen.

**Intergenerational Funds:** The aim of these benefits is to support the long-term sustainability of the community and ensure that future generations have finances to be able to fund projects related to their issues and concerns. They are usually initiated once a site has been chosen.

**Summary of benefits under different categories**

<b>Community Empowerment</b>	<b>Direct Benefits</b>	<b>Social Benefits</b>	<b>Economic Benefits</b>	<b>Intergenerational Benefits</b>
<ul style="list-style-type: none"> <li>• The provision of information and engagement about the development</li> <li>• The establishment of local working groups and partnerships</li> <li>• Funding to hire experts</li> <li>• Funding to hire advocates to present cases in formal proceedings</li> <li>• Monitoring/emergency training</li> </ul>	<ul style="list-style-type: none"> <li>• Local jobs</li> <li>• Increased local service industry</li> <li>• Spin off businesses</li> <li>• Local research facilities</li> <li>• New infrastructure</li> <li>• Movement of waste management agency head office into the area</li> </ul>	<ul style="list-style-type: none"> <li>• Payment of local taxes</li> <li>• Guarantees of employment for local people</li> <li>• Local training, so people in the area can be recruited for jobs</li> <li>• Support of local service industries</li> <li>• Investment in public services (e.g. new roads, hospitals, recreation facilities)</li> <li>• Guaranteed property prices</li> <li>• Health and environmental monitoring</li> <li>• School equipment and support</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure projects</li> <li>• Ongoing business incentives</li> <li>• Funds</li> <li>• Research/technology /innovation centres</li> <li>• Business parks</li> <li>• Free electricity</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term skills</li> <li>• Infrastructure development</li> <li>• Trust funds</li> </ul>

## What might not be feasible in the UK

In the UK it would not be possible to guarantee local employment because of the European Procurement Directive require compliance with the EC Treaty in particular Article 49<sup>3</sup> which is concerned with the free movement of services. Contracts have to be let using a tendering process that does not discriminate against providers from other EU States who wish to use their existing labour force, in favour national or local contractors. However, it would be possible to put in place training programmes so that local people can develop the skills to enable them to support the project through any opportunities that become available. The approaches adopted by the alternative potential contractors in terms of sustainability impacts (social, economic and environmental impacts) of implementing contracts will be taken into account when evaluating their tenders.

The implementer would have to pay Corporation Tax to the Government. Corporation Tax is a tax on the taxable profits of limited companies and other organisations including clubs, societies, associations and other unincorporated bodies.

The Valuation Office Agency (VOA)<sup>4</sup> is responsible for assessing the rateable value of all non-domestic and business property in England and Wales. Rateable value is a key factor in the calculation of business rates but it is not what businesses actually pay. In broad terms the rateable value is a professional view of the annual rent for a property if it was available on the open market on a set date. Local Councils use the rateable value, in conjunction with a factor called the multiplier<sup>5</sup> to calculate the basic business rates liability for each property, before applying any discounts or reliefs. Local Councils are responsible for sending out the bills and collecting the rates payable. The business rates are paid into a central Government fund which is then allocated through a national formula to local authorities. As a geological disposal facility for higher activity radioactive waste is a new type of development in the UK a new valuation would have to be undertaken. There would have to be a negotiation between the local authority and the Government about any proportion of the business tax from a geological disposal facility that they were able to keep.

Councils set the council tax for the whole of their area. It would not be possible for a Council to give a decrease in the local council tax to residents living near a geological disposal facility. One rate has to be applied across a Council area. In order to decrease the level of council tax for the whole of its area a Council would have to hold discussions with Government. The discussions would need to identify how the shortfall in Council income from decreasing the council tax would be covered by other means.

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<sup>3</sup> [http://eur-lex.europa.eu/en/treaties/dat/12002E/htm/C\\_2002325EN.003301.html](http://eur-lex.europa.eu/en/treaties/dat/12002E/htm/C_2002325EN.003301.html)

<sup>4</sup> <http://www.voa.gov.uk/index.htm>

<sup>5</sup> It is set annually by Communities and Local Government in England, and determines the percentage (expressed as pence in the pound) of the rateable value of a property that will be paid in business rates