

Nuclear Decommissioning Authority (NDA) Update

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Summary:

This report provides an update on recent developments relating to the Nuclear Decommissioning Authority of relevance/note to Copeland Council, as follows:

1. Publication of the Holliday Report
2. Strategy 4 Update
3. One NDA Update
4. NDA Sustainability Report and Carbon Net Zero
5. New Sellafield Ltd Chair
6. New LLWR CEO
7. Magnox Reactor Decommissioning Strategy

Recommendation:

That members of the Board:

1. Note the information in this paper.

1. Publication of the Holliday Report

- 1.1. The final report of the Magnox Inquiry (known as the “Holliday Report”) was published on 4th March.
- 1.2. The Magnox Competition was a procurement exercise that commenced in 2012 and would appoint a single parent-body organisation (PBO) arrangement to manage and operate ten Magnox reactor sites and two research sites on behalf of the NDA. The exercise was implemented on the expectation that savings to the taxpayer would be generated. The contract had an estimated value of £6.2 billion.

- 1.3. In March 2014, the NDA announced the Cavendish-Fluor Partnership (CFP) as the preferred bidder. Subsequently, one of the unsuccessful bidders for the contract, Energy Solutions launched a claim to seek damages from the NDA. In 2016, the High Court found that the NDA had wrongly decided the outcome of the procurement process. In August 2016, Bechtel Management Company Ltd also issued a claim, leading to the NDA settling £85 million with Energy Solutions and £12.5 million with Bechtel.
- 1.4. The Inquiry concluded that concluded the NDA as an organisation is responsible for the failures identified at each stages of the procurement exercise and subsequent activities, although senior individuals with delegated responsibilities were “variously involved”.
- 1.5. A detailed report summarising the key findings and recommendation of the Inquiry was provided to the Council’s Executive Committee on 20th April.
- 1.6. The full report may be accessed via the following link:

[Magnox Inquiry: final report - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/472222/magnox_inquiry_final_report.pdf)

2. Strategy 4 Update

- 2.1. Following a period of consultation, to which the Council responded, the Nuclear Decommissioning Authority Strategy 4 (2021-26) was published on 18th March.
- 2.2. The strategy document may be viewed via the following link:

[Nuclear Decommissioning Authority Strategy effective from March 2021 - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/472222/nuclear_decommissioning_authority_strategy_effective_from_march_2021.pdf)

3. One NDA Update

- 3.1. NDA has formed a new Group Leadership Team (GLT) to drive improved leadership, assurance, collaboration and the transfer of learning and skills across the group.

- 3.2. The announcement includes the intention to create a single waste division with Corhyn Parr, previously Director of Integrated Waste at the NDA, now representing the waste division on the GLT as designate Chief Executive Officer (CEO).
- 3.3. The waste division will integrate the waste management capabilities of LLWR and Radioactive Waste Management (RWM), the organisation responsible for delivering a Geological Disposal Facility, and will be operational from 2022.
- 3.4. LLWR and RWM will continue to be distinct legal entities with their own boards and remain the duty holders for the NDA group's nuclear licensed sites.
- 3.5. NDA's transport organisations are also now combined into Nuclear Transport Solutions and are also represented on the GLT.

4. NDA Sustainability Report

- 4.1. On 8th March, the NDA Sustainability Report for FY 2020/21 was published.
- 4.2. The report showcases the NDA Group's support to the positive social and environmental outcomes that result from delivery of the NDA's mission, "to clean up the UK's earliest nuclear sites safely, securely, cost effectively and with care for our people, communities and the environment".
- 4.3. In the report, the NDA makes a number of commitments, to:
 - Keep our workforce and the public safe
 - Protect the environment and enhance biodiversity
 - Provide prosperity to our local communities
 - Promote equality, diversity and inclusion
- 4.4. The full report may be accessed via the following link:

[NDA Sustainability Report: Financial Year April 2020 to March 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/921112/NDA_Sustainability_Report_-_Financial_Year_April_2020_to_March_2021.pdf)

5. New Sellafield Ltd Chair

- 5.1. On 11th February, the Nuclear Decommissioning Authority's (NDA) CEO, David Peattie, announced that Tony Meggs CB has been appointed as the new Chair of NDA subsidiary, Sellafield Ltd.
- 5.2. Tony will take up his post for a three-year term on 3rd May 2021, replacing Lorraine Baldry who has led the Sellafield Board since May 2018 as Sellafield Chair. Tony will report directly to David Peattie.

6. New LLWR CEO

- 6.1. The process to bring LLWR Ltd into the One NDA Group as a direct subsidiary of the NDA will conclude in July 2021, signalling the end of the Parent Body Organisation model.
- 6.2. Current CEO Paul Pointon will depart the organisation and Martin Walkingshaw, former Deputy MD, has been announced as the new CEO of LLWR Ltd, effective from 12th July 2021.

7. Magnox Reactor Decommissioning Strategy

- 7.1. On 28th November 2018, the Council took part in a stakeholder workshop with colleagues from NDA, BEIS, Scottish and Welsh Government, other local authorities and Magnox personnel, to inform a review of the strategy for decommissioning the UK's Magnox Reactor Fleet.
- 7.2. The previous strategy for decommissioning Magnox reactor sites was developed over 30 years ago and involved deferring reactor decommissioning at all sites for approximately 85 years from reactor shutdown.
- 7.3. The outcome of the review is the development of a set of criteria by which site-specific decommissioning strategies will be developed, which may include acceleration of the decommissioning programme versus the previous baseline.
- 7.4. Trawsfynydd has been chosen as the lead site for Magnox reactor decommissioning.

- 7.5. The new site-specific decommissioning strategies are expected to be defined over the next 12 to 18 months, and it is expected that the strategy for decommissioning Calder Hall (a former Magnox reactor on the Sellafield site) will also incorporate learning from the lead Magnox site at Trawsfynydd.