

Meeting:	NuLeAF Steering Group, 27 January 2010
Agenda Item:	7
Subject:	NDA Update
Author:	Fred Barker
Purpose:	To report on NDA developments

Introduction

This report covers:

- Issues addressed at the National Stakeholder Group meeting in November 09
- Consultation on the draft NDA Business Plan for 2010-13
- Plans for engagement on the NDA Strategy review
- Discussion with NDA on ‘credible options’ for management of Higher Activity Wastes (HAW)

Recommendation

That the Steering Group notes the developments outlined in this report.

Contribution to Achieving Strategic Objectives

The activities described in this report relate to the following NuLeAF objectives:

- To encourage NDA to explain to stakeholders its assessment processes and decisions about: priorities for spending; project business cases; and its next funding bid to Government as part of the Comprehensive Spending Review
- To encourage regional approaches where they are supported by affected local authorities in light of the overall balance of benefits and disadvantages
- To seek to ensure that proposals for new projects that may be simpler, faster or cheaper than current practices can be convincingly demonstrated to be the best options, taking into account a full range of life cycle, safety, environmental and socio-economic factors, and stakeholder views.

1 Issues addressed at the NDA National Stakeholder Group (NSG)

The NSG took place on 18-19 November. An overview of key points is as follows:

- The **opening address** was given by Tony Fountain, the new Chief Executive of the NDA. He emphasised that the NSG was a unique forum and that stakeholder engagement should be a deep cultural value within the NDA. He then made a number of “key observations”, including that: dealing with the high hazards at Sellafield is a “national priority”; NDA must avoid being a “victim” of current funding pressures by identifying the best options for a way forward; NDA should reduce its bureaucracy but preserve its core mission; and NDA had already achieved a “phenomenal” amount given that it was only five years old.
- The NuLeAF Executive Director (ED) was introduced to Tony Fountain and had opportunity to **explain NuLeAF’s current concerns**, as outlined in the letter sent in advance of the meeting and attached as Annex A.
- Richard Waite – the former Acting CEO – gave a presentation on the funding position and explained the nature of the **Public Value Programme (PVP)**, which is a Treasury-led review of spending plans. He explained that NDA is going through a process of assessing options for moving forward, with the aim of recommending options to Ministers in the spring of 2010. The scope of the initial long-list includes: deferrals (what really does not need to be done now); deletions (what could be done differently); accelerations (what could be bought forward on value for money grounds); efficiencies; and income generation possibilities (what generating lives could be extended). A particular focus is on opportunities to reduce support and overhead costs. The long-list will be reduced to a short-list by assessing options against PVP criteria (which will draw on Value Framework criteria and others including affordability and impact on the supply chain). Richard also explained the nature of the forthcoming consultation on the NDA Business Plan (see below).
- Other **sessions at the NSG** covered: an update on the Geological Disposal Facility (GDF) programme; the health, safety and environment topic strategy review; an update on waste topic reviews; and break-out sessions on transport, asset management and site end state topic reviews. The NSG meeting report and session papers are available on the NDA website (see [NSG documents](#)).

The next NSG meeting is on 17-18 March.

2 Consultation on the Draft Business Plan for 2010-2013

On 1 December, the NDA launched an eight week consultation on its draft Business Plan for 2010-2013. The draft plan is available at [Consultation Details](#). The comments attached as Annex B were submitted on the authority of the Chair and Vice-Chair. The main comments re-iterate the need for NDA to do more to explain the nature of its assessment processes and the basis for proposed spending plans.

After the consultation, NDA intends to provide a summary of consultation responses and how these have been taken into account. The Business Plan will then be submitted to the Secretary of State and Scottish Ministers for approval by 31 March.

3 Plans for Engagement on the Strategy Review

The NDA's current Strategy document was published in March 2006 and reflects the environment at that time. Under the Energy Act 2004, the Strategy must be reviewed at least every five years. The NDA intends to consult on a revised Strategy during the latter half of 2010, with a view to publication in 2011.

NDA has offered NuLeAF an opportunity for pre-consultation discussion on its thinking about the revised strategy. A presentation by NDA and discussion has therefore been scheduled for the afternoon session of the Steering Group meeting on 20 April.

The Executive Director has also accepted an invitation to attend a 'key stakeholder peer review' meeting on 20 May, which will discuss the draft consultation document on the revised strategy.

4 Discussion on 'Credible Options' for Management of Higher Activity Wastes (HAW)

Graham Jonsson and James McKinney from the NDA attended the Strategy Review Group meeting on 15 December to discuss NDA thinking on 'credible options' for HAW management.

Key points from the discussion were:

- There are various topic strands within the overall topic of HAW management, including High Level Waste (HLW), dry Intermediate Level Waste (ILW), wet ILW and graphite/Reactor Decommissioning Wastes (RDW).
- A key question is does the waste have to be disposed of to a Geological Disposal Facility (GDF), or are there alternative disposal routes? This may be the case, in particular, for RDWs. A project team has been established to examine this, with the aim of identifying credible options. The initial part of the work is focussing on detailed characterisation of RDW to establish concentrations of long-lived isotopes. This will inform assessment of treatment options, for example, to remove the long-lived isotope C14. It might be possible to reduce levels to enable significant amounts of graphite waste to be disposed to near surface facilities.
- A wide range of different thermal processes are also being assessed (including trials) for treatment of ILW and RDWs eg production of 'synroc' to immobilise Plutonium residue wastes.
- It is unlikely that any significant changes to strategy for HAW management will be proposed in the revised Strategy (see section 3), but descriptions of credible options for further assessment may be included.
- The SRG highlighted that it wished to be kept informed of developments and would welcome opportunity for further discussion as the programme develops.

ANNEX A: TEXT OF LETTER TO TONY FOUNTAIN

28 October 2009

Dear Tony Fountain,

NULEAF'S ROLE AND CURRENT ISSUES

I understand from Jon Phillips that we will have opportunity at the forthcoming National Stakeholder Group to be introduced and briefly refer to current issues. I thought it would be of value, therefore, to write in advance to explain NuLeAF's role and current issues under discussion.

NuLeAF – the Nuclear Legacy Advisory Forum - is a Special Interest Group of the Local Government Association, with 101 member local authorities, including nearly all the local authorities in England and Wales that have NDA sites. NuLeAF's work is overseen by a Steering Group (SG) of elected members from member authorities. It was created in 2003.

NuLeAF has four primary roles:

- to identify, where possible, a common local government viewpoint on nuclear legacy management issues;
- to represent that viewpoint, or the range of views of its member authorities, in discussion with national bodies;
- to seek to influence policy and strategy for nuclear legacy management in the interests of affected communities; and
- to develop the capacity of its member authorities to engage with nuclear legacy management.

I am pleased to say that in the main we have been able to develop a constructive and positive working relationship with the NDA across a range of key topics, including the GDF programme, interim management of higher activity wastes, LLW strategy development and socio-economic support.

Issues currently under discussion include:

- Explanation of NDA assessment and decision making processes;
- LLW strategy development; and
- the interactions between nuclear legacy management and potential nuclear new build.

On the first issue, we think that NDA needs to make a special effort to explain to stakeholders its assessment processes and decisions about: priorities for spending; project business cases; and its next funding bid to Government. One aspect of this is to ensure that stakeholders understand the nature of the Value Framework (VF) and its role in NDA decision-making. This is an issue that I have previously raised with Richard Waite and colleagues. As a result of helpful discussions with Richard, a step towards better understanding was achieved through a recent presentation by the NDA Head of Corporate Planning to the NuLeAF Steering Group. I have recently written again to Richard to highlight the need to share worked examples of the use of the VF with a wider range of stakeholders.

On the second issue, NuLeAF has recently submitted detailed comments on the draft UK LLW strategy. These comments took account of the views of a wide range of local authorities as expressed at NuLeAF seminars in London, Manchester and Taunton, and at NuLeAF's LLW

Officer Working Group, which is made up of planning officers from a range of local authorities with NDA sites. As you will no doubt be aware, there is considerable sensitivity about key aspects of the proposed strategy within local government, particularly the use of existing landfill facilities for VLLW/LLW disposal. Against this background, we welcomed the statements in the consultation paper about the importance of public acceptability, and highlighted the need for consignors to involve local stakeholders in robust option assessments to identify preferred approaches at a local level. We also stressed that where local assessment shows that development of LLW management facilities on or adjacent to nuclear sites would be the best approach, NDA should encourage or enable the supply chain to undertake such development, or be prepared to invest centrally in the preferred facilities. We hope that these points will be accepted by NDA when finalising the strategy.

On the third issue, although it is not within NuLeAF's remit to form a view on whether new nuclear power stations should be built, it does have responsibility to comment on any implications for nuclear legacy management. In this context, we have recently had helpful discussions with Adrian Simper about the potential interactions between nuclear legacy management and new nuclear power stations. The NuLeAF Steering Group has subsequently resolved to ask the NDA to promote debate amongst its stakeholders at national and local level about:

- the potential interactions between nuclear legacy management and new nuclear build;
- how a more coordinated 'across site' approach could be taken to waste management and clean-up in locations that have or are proposed to have multiple licensed nuclear sites; and
- the pros and cons of the ways in which the synergies with new nuclear build could be exploited to the benefit of nuclear legacy management.

I hope that this letter provides a useful introduction to NuLeAF and some of its key concerns, and look forward to meeting you at the NSG.

Yours sincerely,

Fred Barker
Executive Director

ANNEX B: TEXT FROM RESPONSE TO THE DRAFT BUSINESS PLAN 2010-2013

Dear NDA,

I write on behalf of NuLeAF - the Nuclear Legacy Advisory Forum of the Local Government Association - to submit comments on the NDA's draft Business Plan.

Our comments are as follows:

Clarity about Strategic Themes, Objectives, Funding Allocations and Key Activities

We agree that the new format Business Plan provides a clear statement about the NDA's strategic themes, objectives, funding allocations and key activities across the estate. This is to be welcomed.

We do, however, have a number of comments on the need to provide further explanation of the processes and reasons for spending proposals and decisions. Such explanation will be essential to generate the wider understanding and confidence amongst stakeholders that will be required as NDA moves forward in the current financial climate.

Explanation of Basis for Key Deliverables and Site Activities

In our comments on last year's draft Business Plan we suggested that greater effort should be taken to explain publicly how NDA reaches decisions on site funding allocations and how those decisions are justified. In the context of the new format of the draft Business Plan, it would be helpful to provide a high level explanation of how proposed key deliverables (by strategic theme) and key activities (by site) have been identified.

Public Value Programme

We note the references to constraints on future funding and the importance of the Public Value Programme (PVP) to future spending reviews. We consider it essential that stakeholders are briefed at the earliest opportunity about progress in the identification of, and basis for, preferred options for moving forward. We understand that the intention is to have identified preferred options in February.

Value Framework

In comments on previous draft Business Plans, we have highlighted the importance of enabling stakeholders to understand the role of Value Framework (VF) tools in spending reviews, identification of priorities and assessment of business cases. We still believe it would be helpful for NDA to publish some worked examples on the specific use of the VF, as seen against the wider perspective of spending reviews and the PVP.

Socio-Economic Support and Development

In previous years, we have expressed concern about the relatively modest amount of money (£10 million per year) allocated to socio-economic support and argued that levels of such support should not be reduced because of the current "tight fiscal environment". Not surprisingly, therefore, we were disappointed to see the proposed allocation for 2010-11 reduced to £5 million.

Yours sincerely,