

<b>Meeting:</b>	NuLeAF Steering Group, 20 April 2010
<b>Agenda Item:</b>	7
<b>Subject:</b>	Progress Report
<b>Author:</b>	Fred Barker
<b>Purpose:</b>	To report on a range of developments relating to nuclear legacy management

## **Introduction**

This progress report covers the following items:

- The Government's Managing Radioactive Wastes Safely (MRWS) Programme
- An NDA update
- The Submarine Dismantling Project
- Consultation on plutonium management options
- The establishment of the Office for Nuclear Regulation
- Developments relating to the Community Infrastructure Levy and Planning Obligations
- A summary of NuLeAF's financial position at the end of the Financial Year 2009/10.

The report is for noting.

## 1 The MRWS Programme

The following developments have taken place since the last meeting of the Steering Group:

**West Cumbria MRWS Partnership:** meetings of the Partnership took place on 28 February and 31 March. The February meeting agreed a specification for research on the impacts of hosting a GDF, held an initial discussion about the NDA's preliminary proposals for Stage 4 of the siting process, and heard a presentation from two Cumbrian environmentalists. The March meeting reviewed the outputs and proposed responses to the Partnership's first round of public and stakeholder engagement. The next meeting (on 13 May) will continue that review and consider whether to give the go ahead for initial geological screening by the British Geological Survey (BGS). A formal decision about participation in the siting process is not expected until autumn 2011. Further information is available on the Partnership website at [westcumbriamrws](http://westcumbriamrws).

**House of Lords Science and Technology Committee:** the Committee has published an update on radioactive waste management (HL Report 95, March 2010, available at [HoL S&TC Report HL95](#)). The Committee makes a number of recommendations designed to strengthen CoRWM, enabling it to better hold the Government to account on their progress in developing a GDF. Also, echoing the views of the Energy and Climate Change Select Committee (see agenda item on new build), the HoL Committee recommends that the Government publishes clear policy milestones for the MRWS programme and reports progress annually.

**CoRWM Work Programme:** CoRWM has published its proposed priorities for scrutiny and advice in 2010-11, including:

- Government work to implement its policy on the long-term management of higher activity wastes (HAW);
- Scottish Government development of its policy on the management of HAW and its implementation;
- NDA Strategy II; and
- NDA work on implementation of geological disposal.

Major proposed deliverables are an Annual Report in June 2011 and a variety of position papers. The position papers will address:

- the development of Scottish Government HAW policy (Nov 2010)
- the BGS screening out of areas in West Cumbria (March 2011)
- NDA preparations for Stage 4 of the GDF siting process (March 2011)
- public and stakeholder engagement by organisations involved in the management of HAW (Dec 2010) and
- a formal response to NDA consultation on strategy II.

**Meeting of the Regulatory Interface Management (RIM) Group:** the group met on 24 March and considered:

- the organisational development of the NDA's Radioactive Waste Management Division (RWMD);

- the storage and disposal of spent fuel from new nuclear power stations;
- stage 4 of the MRWS siting process; and
- interactions with CoRWM.

On the organisational development of the RWMD, the department has started operating as a prospective Site Licensee Company bringing it within the scope of voluntary regulatory scrutiny. RWMD anticipates being ready to operate as a wholly owned subsidiary of NDA by March 2012.

**Tracking stakeholder issues during the GDF programme:** the Environment Agency (EA) has written to environmental campaigners suggesting that a process for managing and tracking points of concern might be based on something similar to that associated with the regulatory approach to Generic Design Assessment for new nuclear build. The EA has suggested a meeting to help consider how best to take options forward. It also confirms that through its regulatory work it will continue to seek to identify relevant issues and ensure that RWMD addresses them in a timely manner. In developing a tracking process, the EA adds that it will want to distinguish between issues which are important to meeting regulatory requirements and other points which stakeholders might raise.

## 2 NDA Update

**NDA Business Plan:** NDA has published the final version of its Business Plan, which confirms expenditure of £2.8 billion for the next year. £1690m will be funded by Government and £1150m by income from commercial operations. Expenditure will be broken down as follows, across 6 strategic themes:

- |                                   |       |
|-----------------------------------|-------|
| • Site restoration                | £863m |
| • Spent fuels                     | £439m |
| • Integrated waste management     | £435m |
| • Critical enablers               | £225m |
| • Management of nuclear materials | £137m |
| • Business optimisation           | £18m  |

The remaining £723m is allocated to support costs across the estate.

NuLeAF submitted comments on the draft Business Plan in January (available at [Comments on NDA Business Plan 2010-13](#)). It suggested that the Plan should include: a high level explanation of how key deliverables and site activities have been identified; clarity on the role of the Public Value Programme (PVP); further explanation of the role of the Value Framework; and re-instatement of socio-economic support to previous levels.

The NDA has sent a document explaining how these and other comments have been addressed in the final version of the Business Plan (a copy is available on request from the secretariat). The following changes relate to NuLeAF's comments:

- An explanation of the criteria used in NDA's PVP submission to Government has been included;
- The funding section now includes a brief outline of the Value Framework process and how it informs the PVP submission; and
- A budget of £10m for socio-economic support has been re-instated.

**PVP:** Funding for 2011 onwards will be agreed at the next spending review following the general election. In advance of this, the NDA has engaged with Government to identify options for improving effectiveness and affordability. At the National Stakeholder Group in mid-March, the CEO, Tony Fountain, reported that the 'broad headlines' of the NDA PVP submission were that there were some proposed programme deletions, but that the main emphasis was on being more efficient. The submission also includes proposals for accelerating decommissioning at a couple of lead Magnox sites. If these proposals are approved, NDA anticipates discussing them with the relevant local authorities by the end of 2010.

**NDA Strategy Review:** formal consultation on proposed Strategy is anticipated to start in early September and end towards the end of November. The afternoon discussion at the Steering Group will provide an opportunity for pre-consultation engagement on the NDA's proposals.

**NDA Newsletter:** NDA has published the second edition of its newsletter, 'Insight' (available at [Insight-Mar-09](#)). This carries articles on:

- The return of solid High Level Waste to overseas reprocessing customers, which began in January
- The planned de-licensing of part of the Harwell site
- Progress with decommissioning at the Berkeley Magnox site
- The work of the Sizewell Site Stakeholder Group
- Regulatory approval to trial three 'yellow box' ministores for the interim storage of ILW at Dungeness
- The role of the Studsvik metal recycling facility in Cumbria.

### **3 Submarine Dismantling Project**

At its meeting in January, the Steering Group received a progress report on the Submarine Dismantling Project, which explained that:

- the SDP programme was under review within MoD
- MoD is seeking to proceed with the briefings for elected representatives in the 12 areas containing potential sites (but declines to publish the locations).
- The Executive Director (ED) has joined the Consultation Sub-Group (CSG) of the Project's Advisory Group which will develop advice on how to move forward on pre-consultation engagement and formal public consultation.

In terms of actions arising from the January meeting of the Steering Group:

- the ED raised the issue of inter-departmental liaison with DECC, who envisage regular meetings between Government departments as the SDP programme moves forward;
- the ED has been pressing for more openness and transparency and continues to make the case to MoD for pre-consultation engagement with potentially affected local authorities; and
- the SDP website contains some useful introductory material, including responses to Frequently Asked Questions about the dismantling of nuclear powered submarines (at [Submarine Dismantling](#)).

The Steering Group's attention is also drawn to the statement made by the Secretary of State on 24 February in response to Parliamentary PQs:

**“Willie Rennie:** To ask the Secretary of State for Defence (1) what assessment his Department has made of the merits of using the site at Sellafield for the (a) submarine dismantling and (b) radioactive waste storage elements of the submarine dismantling project; (2) what sites his Department is considering to use for the (a) submarine dismantling and (b) radioactive waste storage elements of the submarine dismantling project.

**Mr. Quentin Davies:** There are currently four regions where there are MOD or defence-related commercial sites that are likely to be considered for submarine dismantling project activities. These regions are Devon, Fife, Argyll and Bute and Berkshire. A number of briefings to elected representatives in these regions have already been carried out, including to the hon. Member, and others have been scheduled.

The project is at an early stage in the process to develop an effective public consultation and associated strategic environmental assessment. This work has included identification of existing nuclear sites, both defence and civil, that are technically capable of submarine dismantling or storing the resultant radioactive waste. At this stage, two sites have been identified that could be technically capable of carrying out dismantling activities and 12 sites have been identified that could be technically capable of carrying out waste storage. Technical capability is only one aspect and the wider suitability of sites has not yet been assessed.

Further analysis work is still required and, until the public consultation is complete, no decisions will be taken on sites for either submarine dismantling or waste storage. I am withholding details of the individual sites identified at this time, as the MOD intend to publish this information in the future as part of the planned public consultation and strategic environmental assessment.

**Willie Rennie:** To ask the Secretary of State for Defence what assessment his Department has made of the technical barriers to the (a) submarine dismantling and (b) radioactive waste storage elements of the submarine dismantling project.

**Mr. Quentin Davies:** No technical barriers have been identified that would prevent either submarine dismantling or radioactive waste storage from taking place. Most technical aspects of the work have already been demonstrated elsewhere, either in other industry sectors, particularly the civil nuclear sector, or through other countries' work on dismantling nuclear submarines.

We continue to work closely with a range of organisations, including both industry and Government, in the UK and elsewhere, to ensure that we develop appropriate technical solutions that are both safe and effective.”

#### **4 Consultation on the Management of Plutonium**

Also at the January meeting of the Steering Group, Dean Gallacher from DECC gave a presentation on the background to the Government's forthcoming consultation on policy for plutonium management. He reported that the timing of the consultation was uncertain because of the forthcoming General Election. It is understood that the consultation will take place after the election. A copy of the DECC presentation is available on the [NuLeAF website](#).

## **5 Office for Nuclear Regulation**

In 2008 the Government commissioned a review of the UK's nuclear regulatory regime to explore ways of enhancing transparency and efficiency. One of the recommendations was to set up a new independent body for nuclear regulation.

Following the review and consultation on restructuring the HSE's Nuclear Directorate, the Government has published draft legislation to create a new regulatory body called the Office for Nuclear Regulation (ONR).

The ONR is designed to function as a sector-specific regulator for the nuclear industry, with additional responsibility for the transport of radioactive material by road, rail and inland waterways. More detail on the ONR, including the draft legislation and the explanatory document which accompanies it, is available from the DECC website at [Regulatory reform](#).

Creating the ONR will consolidate earlier reform – the Office for Civil Nuclear Security and the UK Safeguards Office were transferred to the HSE's Nuclear Directorate in 2007. The Environment Agency's regulatory functions relating to radioactive waste management will remain with the Agency.

## **6 Community Infrastructure Levy and Planning Obligations**

The Steering Group considered the Government's proposals for the Community Infrastructure Levy (CIL) at its meeting in October 2009. It concluded that:

- it is likely that the CIL could in principle be applied to some radioactive waste management developments, but the size of the charge would not always be in proportion to the implications of the development for infrastructure planning; and
- it is likely that the restrictions to be placed on planning obligations could affect the breadth of projects that can be funded using Community Funds established through such obligations.

NuLeAF subsequently submitted comments on the Government's proposals that can be accessed at [CIL Comments](#).

Government has subsequently published an overview of how the CIL is intended to operate (see [CIL Overview](#)) and is consulting on a new policy document for planning obligations ([Planning Obligations Consultation](#)). As anticipated, the latter proposes that Circular 5/05 planning obligation tests be put on a statutory basis and seeks to ensure that local uses of the CIL and planning obligations do not overlap.

The Steering Group will recall that in June 2009 NuLeAF published a Briefing Paper on the use of planning obligations to establish community funds ([Briefing Paper16](#)). The ED will review the potential need to update the Briefing Paper in the light of the developments above.

## **7 NuLeAF Finances**

The un-audited out-turn for 09/10 includes an expenditure of £117,983.80 and income of £129,930. The surplus of £11,946.20 will be added to reserves to be carried forward.

It was agreed at the AGM in October 07 that NuLeAF's accounts be audited by Suffolk County Council on an annual basis. The third annual audit is currently underway.

The projections for 10/11 are an estimated expenditure of £120,760 and income of £111,410. The projected deficit could be met from reserves.

The projected income includes financial contributions from DECC, NDA, member authorities and the West Cumbria MRWS Partnership (the latter to re-imburse time spent by the Executive Director in contributing to the work of the Partnership). Funding has been received from NDA and will be considered by DECC following the General Election.