
The Industrial Strategy and Nuclear Sector Deal: Overview and decommissioning related opportunities for local government



Department for
Business, Energy
& Industrial Strategy

Industrial Strategy

- Published 27 November 2017
- Sets out five Foundations of productivity:
 - Ideas
 - People
 - Infrastructure
 - Business Environment
 - Places...



...And four Grand Challenges:

- Growing AI & data economy
- **Clean Growth**
- Future of mobility
- Ageing society



putting the UK at the forefront of the artificial intelligence and data revolution;



maximising the advantages for UK industry from the global shift to clean growth;



being a world leader in shaping the future of mobility; and



harnessing the power of innovation to help meet the needs of an ageing society.



Nuclear Sector Deal

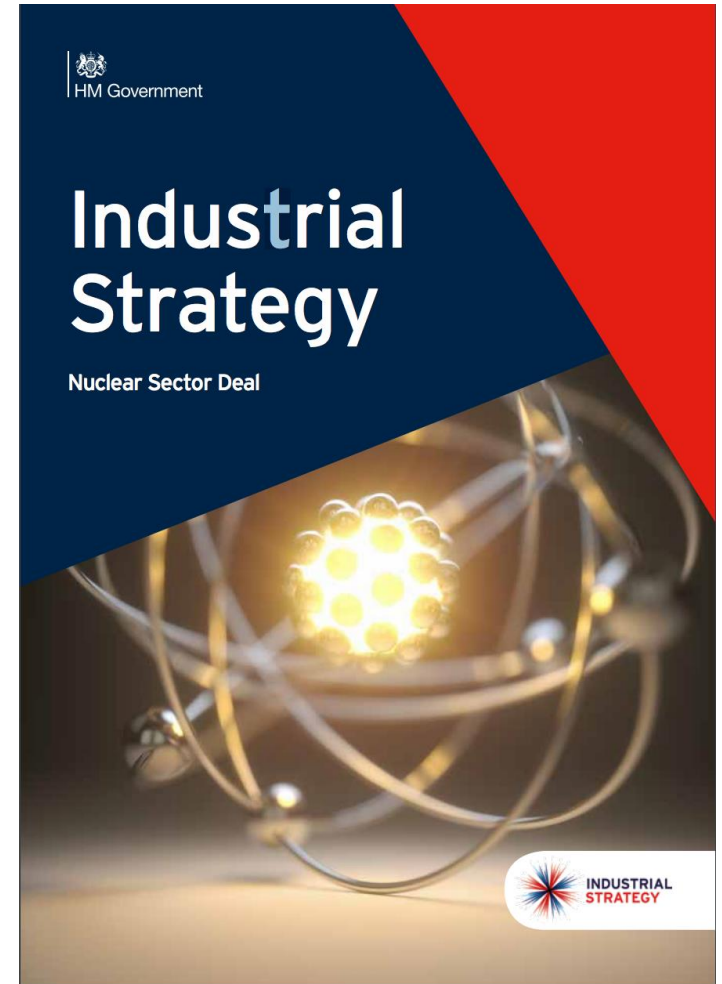
- **Published 28 June 2018**
Trawsfynydd in North Wales
- NSD demonstrates strong historical partnership between government & nuclear industry
- Sets out actions to ensure nuclear plays role in achieving **Clean Growth Grand Challenge** set out in Industrial Strategy & helps UK meet carbon reduction targets





Key Commitments

- Narrative built on cost reduction; UK innovation; diversity...
- Sector committed to deliver by 2030:
 - **30% cost reduction** in cost of new build projects
 - **Savings of 20%** in cost of decommissioning compared with current estimates
 - **40%** women in nuclear
 - **Up to £2bn** domestic & international contract wins
- Structured around 5 foundations of the Industrial Strategy





Cost Reduction

- 30% new build; 20% waste & decommissioning – how do we achieve the savings?
- **£32m Advanced Manufacturing programme**
- **Joint Industry/Government review of Decommissioning Pipeline**
- Cost reduction & sector growth – how do we achieve both?
- **£30m supply chain improvement programme**
- **Supply Chain Plans**





Innovation

£56m for Advanced
Modular Reactor
programme and new
framework for Small
Modular Reactors

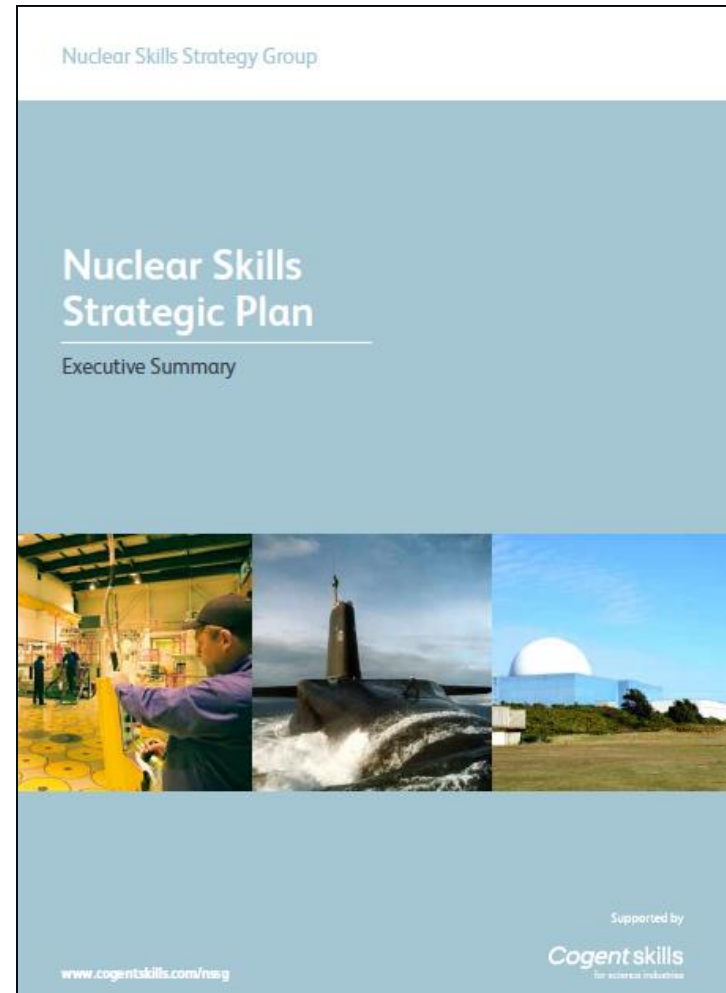
Expert Finance Working
Group (EFWG)





Skills & Diversity

- Government & industry taking action to sustain 100,000 workers forecast to be required in the sector by 2021
- **Achieve greater diversity in the workforce through 40% female workforce (up from 22% now) by 2030**
- **Support the Nuclear Skills Strategy Group**, the lead organisation for the sector on nuclear skills





Implementation

- **Governance:** Nuclear Industry Council (NIC) will provide oversight of NSD
- **Resources:** sector will provide dedicated resource to work closely with HMG officials
- **Five industry-led working groups:** focused on implementing the key commitments within the NSD



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nuclear industry council



Working Groups

- **Five industry-led Working Groups focused on:**
 1. Reducing costs of new nuclear energy
 2. Reducing the legacy costs of nuclear
 3. Winning UK business
 4. Supporting a more diverse, highly skilled workforce
 5. Supporting innovation and Research & Development





Agreed programmatic milestones

- **Completed:**
 - **28 June:** Launch of Deal
 - **9 July:** First meeting of NIC post Deal
 - **14 Sep:** Implementation event
 - **22 Oct:** Second meeting post Deal – agreed on the implementation of the deal
- **Next steps:**
 - **Late 2018:** Programme Board and 5 working groups meet for the first time
 - **Autumn 18:** Supply chain programme business case submitted to HMG
 - **Winter 18:** Publish update to NSSG's strategic plan
 - **28 Feb:** NIC membership refresh
 - **Spring 19:** Completion of joint review of decommissioning pipeline
 - **June 19:** Annual review of Deal





6 month review of decommissioning pipeline

- The government and the sector are conducting a review to develop a National Decommissioning and Waste Management Pipeline.
- Examine improving the way we do decommissioning in the UK to minimise cost and drive best value, by identifying optimum work programmes, methods, operating and procurement approaches
- The review will include all significant future decommissioning and waste management projects, covering civil, defence, medical, research facilities and Naturally Occurring Radioactive Material (NORM) from sectors such as oil and gas
- At a later stage in the review it will also explore opportunities to support UK businesses to leverage our world-leading expertise in decommissioning and waste management to increase exports



Pipeline review team – indicative timelines

- **Dec 18:** Complete information and data gathering
- **Jan 19:** Produce first cut of decommissioning pipeline
- **Feb 19:** Share first cut of decommissioning pipeline with stakeholders and supply chain and check it provides the information they need (such as timing of procurement for goods and services) that will allow them to engage with providing solutions
- **Mar 19:** Complete analysis of information and proposed recommendations
- **Apr 19:** Approval and assurance of the review team's pipeline and recommendations
- **May 19:** Agree plan with NIC for taking recommendations forward



Anticipated outcomes/benefits from the pipeline

- Published report/dataset with industry support
- Continuous ‘drumbeat’ of opportunities
- Identify big decision points and pinch points
- Sufficient granularity to stimulate innovation and skills
- Narrow uncertainty
- Tease out issues e.g. skills needs
- Reduce/eliminate duplicated effort on similar projects in the sector
- And others.....



How can NuLeaf members get involved ?

- It is important that the pipeline provides a 'feedstock' of opportunities by showing the future forecast of the decommissioning market
- To do this it is important that it is tested by the supply chain and stakeholders
- A stakeholder engagement plan is currently being produced, but would appreciate Nuleaf members supporting this work through their role with LEPs, schools/colleges and other partnerships

Questions ?