

NDA Draft Strategy





Strategy Development

- Energy Act 2004 requires us to review, update and consult on our Strategy every 5 years
- The updated strategy will
 - set the context of our journey and mission priorities
 - be a stock take of where we are with our strategy development
 - Be used to inform our requirements which will be developed into site plans by our SLC's
- Specific operating targets are identified in our Business Plan



Strategy Development

- We are reshaping our stakeholder engagement & consultation plan
- We have published our draft strategy as part of our engagement process and your comments are welcomed
- The formal consultation period will start in January 16
- Benefit that our draft Strategy will be informed by the Government Spending Review and key priorities on Sellafield
- National Stakeholder Event postponed until the formal consultation period

Site Decommissioning and Remediation

Objective:

To decommission and remediate our designated sites, and release them for other uses.

Four Topics:

- **Decommissioning**
To deliver site end states as soon as reasonably practicable with a progressive reduction of risk and hazard
- **Land Quality Management**
To ensure that land quality is managed to protect people and the environment
- **Site Interim and End States**
To define credible objectives for the restoration of each site (or part of a site).
- **Land Use**
To optimise the re-use of NDA sites



Site Decommissioning and Remediation

- This is the driving strategic theme and all other strategies support or enable its delivery
- Proportional Regulatory controls and a desire for similar approach to in-situ management are key
- Need for understanding of the broader factors that influence spend e.g. it's not just all about hazard
- Need for understanding of end state near term affordability vs long term cost trade off



Spent Fuels

Objective:

To ensure safe, secure and cost-effective lifecycle management of spent fuels.

Three Topics:

- **Spent Magnox Fuel**

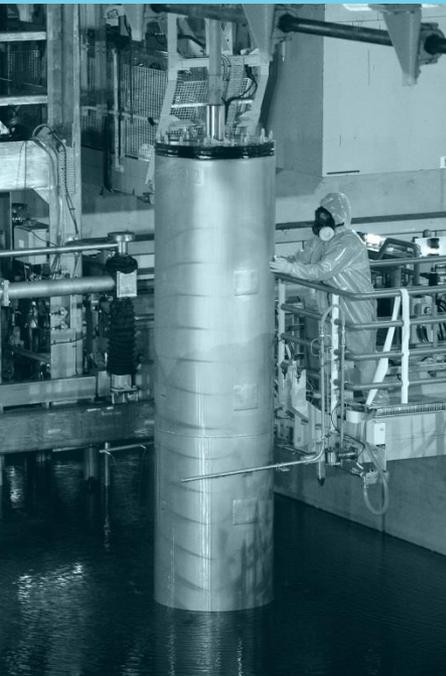
To ensure the safe management and disposition of spent Magnox fuel, completing Magnox reprocessing as soon as practicable

- **Spent Oxide Fuel**

To ensure management and disposition of UK owned oxide and overseas origin fuels held in the UK, and to complete THORP reprocessing as soon as practicable

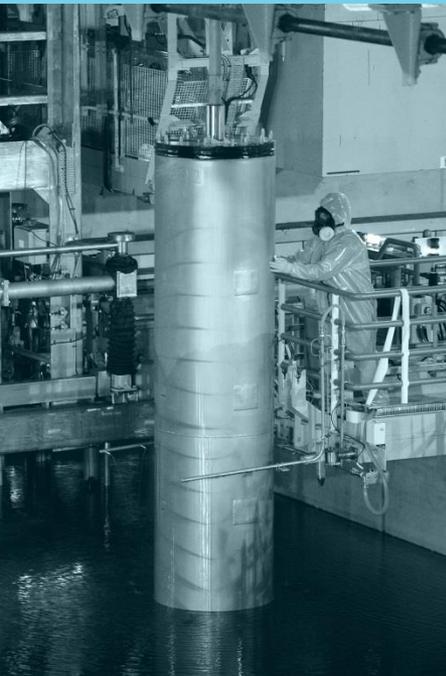
- **Spent Exotic Fuel**

To ensure the management and ultimate disposition of all our exotic fuels, developing options for those fuels which cannot be effectively managed through our routes for Magnox or oxide fuels



Spent Fuels

- In the next five years we expect that the THORP and Magnox reprocessing plants will complete reprocessing
- Completion of the reprocessing programmes represents a major milestone in our long-term mission
- There are risks however that mean we could reprocess less than the scheduled amounts before operations cease
- It may simply not be possible to reprocess all of the fuels that are currently scheduled to be reprocessed
- We will develop options and contingency plans in the event that our reprocessing facilities cannot fulfil their commitments
- By having these options available we will be able to bring the reprocessing programmes to a timely conclusion and ensure the continued safe and cost-effective management of the remaining fuels
- We will continue engagement with government, regulators and stakeholders before finalising future strategic decisions



Nuclear Materials

Objective:

To ensure safe, secure and cost-effective lifecycle management of our nuclear materials.

Two Topics:

- **Plutonium**

To ensure the safe and secure management of separated plutonium stocks held by the NDA and to support the government to develop its preferred approach for putting separated plutonium in the UK beyond reach

- **Uranics**

To ensure the management and disposition of our uranics inventory



Nuclear Materials

- Nuclear materials are held at a number of sites in the UK.
- We have decided to consolidate at Sellafield plutonium stocks currently held at Dounreay. All significant stocks of civil plutonium will be stored at Sellafield and we are also consolidating storage of some uranics at Capenhurst
- The priority for UK government is to provide a solution that puts the vast majority of UK held plutonium beyond reach.
- In 2011 government proposed to pursue reuse of UK civil separated plutonium as Mixed Oxide fuel (MOX) . We are continuing to support government in developing strategic options for the implementation of this policy. In the meantime we will continue to implement our strategy of safe and secure storage
- We aim to reduce the hazard and improve the security associated with continued uranics storage, particularly deconversion of tails hex at Capenhurst.
- We will continue to evaluate the most appropriate disposal options for any uranics where reuse is not viable



Integrated Waste Management

Objective:

To ensure that wastes are managed in a manner that protects people and the environment, now and in the future, and in ways that comply with government policies and provides value for money.

Three Topics:

- **Radioactive Waste**

To manage radioactive waste and dispose of it where possible or place it in safe, secure and suitable storage, to ensure the delivery of UK and devolved administrations' policies

- **Liquid and Gaseous Discharges**

To reduce the environmental impact of radioactive liquid and gaseous discharges in accordance with the UK Strategy for Radioactive Discharges

- **Non-radioactive Waste**

To reduce waste generation and optimise management practices for non-radioactive wastes at NDA sites. This includes hazardous and inert wastes



Integrated Waste Management

- Effective waste management is an essential requirement for the delivery of our mission and is a significant part of our programme.
- The waste hierarchy needs to be considered as part of a lifecycle approach to the management of waste
- Supports key risk and hazard reduction initiatives by enabling a flexible approach to long-term waste management
- Moving towards a single radioactive waste strategy
- Waste management routes across the estate can be optimised:
 - Opportunities at the boundary between waste categories, e.g. ILW to LLW
 - Making best use of current and future planned waste management facilities
 - New treatment and alternative disposal options





Critical Enabler: Health, Safety, Security, Safeguards, Environment and Quality (HSSSEQ)

Objective:

To reduce the inherent risks and hazards of the nuclear legacy, by proportionate application of contemporary standards and improving environment, health, safety and security performance across the NDA estate

What's changing?

- HSSSE is identified as a priority, but we need to further embed it as a value in NDA decision making
- Leadership:
 - Work to develop safety/security/environment culture
 - Year on year, self driven improvements at all sites
 - Benchmarking HSSSE performance against the best in the business
- Support the mission:
 - Promotion of good practice; work on programme ALARP
 - HSSSE-driven improvements to Estate infrastructure
- HSSSE is underpinned by our Assurance through, monitoring, intervention and recognition
- Quality is a contractual requirement



Critical Enabler: Research & Development

Objective:

To ensure that the delivery of the NDA's mission is technically underpinned by sufficient and appropriate Research and Development.

What's Changing?

- Development of NDA Research Board
- Collaboration with Innovate UK
- Collaboration with EPSRC
- Publication of the UK's Nuclear Industry Strategy
- Increased focus on SME agenda
- International nuclear decommissioning R&D



Critical Enabler: People

Objective:

To ensure that the NDA, its subsidiaries and the estate can attract and retain the necessary skills, diversity of talent and capability to deliver the NDA mission efficiently and effectively through leading the estate-wide People Strategy

What's changing?

- Stronger focus on cross NDA Estate collaboration
- 3 key delivery areas
 - Resourcing - Ensuring the right supply of people in the right place at the right time at optimum cost and quality
 - Skills – To retain, maintain and develop a competent and skilled workforce across the estate in a manner that provides value for money
 - Worker flexibility and mobility - enable mobility and transferability of people across & within SLCs and the wider nuclear industry



Critical Enabler: Asset Management

Objective:

To secure reliable, value for money performance by making the best use of UK assets thereby enabling delivery of the site end states

What's changing?

Tactics changed to focus on opportunities to:

- Develop approaches to better inform asset management decisions and strategies
- Consider UK assets as an opportunity to optimise delivery
- Unify asset information to enable consistent strategic decisions,
- Devise and implement a common asset management competency framework to support the skills and socioeconomic agendas,
- Facilitate nuclear industry specific asset management guidance,
- Learn from decommissioning in other sectors
- Widen focus to include subsidiaries and NLF/FDP



Critical Enabler: Contracting

Objective:

To ensure that the NDA procures the best capabilities the market has to offer, through contracts which represent value for money, particularly in respect of appropriate transfer of risk. We will manage these contracts effectively and use contractual incentives, both positive and negative, to optimise outcomes

What's changing?

- Relatively little change
- NDA must retain the capability to conduct major procurements, although not necessarily set aside internal resource as there is no continuing programme of competitions
- NDA should continue to manage contracts effectively right through the Contracting cycle
- The 'Competition' and 'Contracting and Incentivisation' Critical enablers will be merged into one, covering the whole Contracting cycle
- The new Contracting Strategy will recognise the importance of governance as well as delivery



Critical Enabler: Supply Chain Development

Objective:

To ensure that the supply chain available to the NDA estate is optimised to enable a safe, affordable, cost effective, innovative and dynamic market to support our mission, and for the NDA estate to be seen as a nuclear client of choice

What's changing?

- Increased interest of this topic by HMG, Regulators, SLC's, Supply Chain
- Potential to include capability and capacity as a new principle
- Building on implementation of SME Action Plan
- Other UK Nuclear Clients – more involvement/engagement with Nuclear New Build and MOD
- More interactions with other enabling strategies incl; Contracting, R&D, Socio Economic, People, EHS&Q and International Relations



Critical Enabler: Information Governance and Knowledge Management

Objective:

To optimise value from NDA knowledge and information assets in a compliant and secure manner, investing only in that which needs to be retained to deliver the NDA's mission

- Strategy II Critical Enabler - Information and Knowledge Management (IM & KM)
- Information Governance Strategy (IGS) issued in Feb 2013
- There are 5 *Sub-Topic* areas:
 - Information Management (IM)
 - Knowledge Management (KM)
 - Information and Communication Technology (I&CT)
 - Intellectual Property Management (IPM)
 - Information Risk Management (IRM)
- IM & KM sub-topics remain as the focus of the strategy. However IRM, IPM & I&CT are, in effect, Critical Enablers themselves in realising the vision and goals of the IGS.



Critical Enabler: Socio-Economics

Objective:

To support the maintenance of sustainable local economies for communities living near our sites and, where possible, contribute to regional economic growth objectives

- Funding support will continue (subject to available funds)
- Enhanced by integration of socio-economics into mainstream strategy & operations
- Including strategy & operations of PBOs & SLCs
- Increased effort on issues such as: local supply chain optimisation, skills retention & transition, apprenticeships, better working & info sharing with local agencies
- Best practice examples will be shared estate-wide
- Geographic focus areas remain but prioritisation will increasingly take into account timescales to care & maintenance
- Local economic conditions also taken into account & prepared for, incl. new build prospects etc



Critical Enabler: Public and Stakeholder Engagement

Objective:

To build a better understanding of our mission with the public and stakeholders and maintain their support, confidence and trust.

What's changing?

- We remain committed to engaging with all those who have an interest in what we do
- We will examine how we deliver that engagement in light of the changing environment we operate in
- We will consider how best to engage locally when sites are in Care & Maintenance
- We will review our national engagement mechanisms to ensure we offer good opportunities for discussion with all interested parties
- We will consider other forms of engagement to reach out to those not currently involved



Critical Enabler: Transport and Logistics

Objective:

To ensure the effective transportation of materials to enable the delivery of the NDA mission.

What's changing?

- Road, Rail, Sea and package assets review has been completed and a draft report prepared
- GDF needs to develop an Integrated Transport Strategy
- Rail need to consider longevity of Rail Routes and initial discussions NDA & DRS will lead to a review in this arena.
- PCM – existing package fleet - more work needed to truly understand this issue and develop options.
- LFE is managed through many Transport Fora
- Transport regulator has moved to ONR a statutory body and charging has been introduced.



Critical Enabler: Revenue Optimisation

Objective:

To create an environment where existing revenue can be secured, and opportunities can be developed against criteria agreed with government

- The principle for this strategy remains one of closing down facilities and cleaning up the sites. Expansive ideas of additional commercial activities still remain out of scope without express approval from Government
- However, the nuclear renaissance may present alternative credible options relating to the future management of the UK nuclear infrastructure and commercial opportunities that might arise from this



Critical Enabler: International Relations

Objective:

To ensure the NDA estate maximises the benefit of international experience in delivering its Energy Act requirements for adopting good practice, securing value for money and supporting government policy, through targeted collaboration with international organisations.

This will be achieved through:

- Gaining access to international good practice for use by the Estate in delivering the programme
- Understanding and influencing international technical guidance and legislative developments
- Ensuring we maintain good relations with overseas communities interested in our activities
- Supporting relevant Government policy to assist it in delivering its international commitments.
- Enabling NDA Estate support to INS in the delivery of its strategy
- Enabling NDA Estate support to UKTI
- Working with Regulators and Government to ensure a co-ordinated UK approach to international activities



Critical Enabler: Land and Property Management

Objective:

To manage our land and property in support of the NDA mission and to make it available for alternative uses which optimise revenue and socio-economic benefit.

What's changing?

- Collaborating with the public sector to remove boundaries within the Government Estate: e.g. sharing space with local authorities;
- Further review of all nuclear sites to consider interim uses and end states, accord with local planning policies and potential demand from the private or community sectors;
- Continue to minimise land ownership, de-designate nuclear installations where possible and dispose of surplus – plan to raise a further £220m: e.g. Berkeley Centre Stroud College;
- Develop/refurbish assets cost effectively through NDA Properties Ltd: e.g. Archive and CNC Training Centre;
- Manage the estate according to sustainable principles: e.g. Estate wide procurement of Facilities Management to save circa £10m pa



Next steps

- Latest draft of the strategy published on our website to set out our emerging thinking
- Welcome any comments and observations you may have by the end of November
- Any feedback received from you will not form part of the formal consultation process
- We intend to move the Consultation phase to commence in early 2016
- Particular focus on whether we are asking the correct questions
- National Stakeholder Event postponed to be at a later date, probably mid January