



Department for
Business, Energy
& Industrial Strategy



Infrastructure
and Projects
Authority

To: Karen Wheeler, Senior Responsible Owner for the Geological Disposal Facility Programme

Project Identifier: DPO-2129

From: Sarah Munby, Permanent Under-Secretary of State of the Department for Business, Energy, and Industrial Strategy; and Nick Smallwood, Chief Executive Officer of the Infrastructure and Projects Authority

April 2022

Dear Karen,

APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE GEOLOGICAL DISPOSAL FACILITY PROGRAMME

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Geological Disposal Facility programme with effect from 31 January 2022. This letter sets out your responsibilities and the support you can expect from your department and the Infrastructure and Projects Authority.

As SRO, you are directly accountable to Corhyn Parr the CEO of Nuclear Waste Services who is accountable to David Peattie the CEO and Accounting Officer of the Nuclear Decommissioning Authority (NDA), under the oversight of the Permanent Secretary as Accounting Officer for BEIS, and Kwasi Kwarteng Secretary of State.

The Geological Disposal Facility (GDF) programme will be delivered by Nuclear Waste Services (NWS) (a division of the NDA including RWM Limited (a wholly owned subsidiary of NDA), under the oversight of the Chair of the NWS Board and is included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of the Geological Disposal Facility programme and will be held accountable for the delivery of its objectives, with policy intent and outcomes expected. This encompasses securing and protecting its vision, ensuring that it is governed responsibly, reported on honestly, escalated appropriately and for influencing the context, culture, and operating environment of the programme. You are also responsible for ensuring the ongoing viability of the programme and recommending its pause or termination if appropriate. Where issues arise which you are unable to resolve, you are responsible for escalating these to the relevant governance body such as NWS Board, NDA Board, BEIS Sponsor, Accounting Officer and HMT in a timely manner.

You remain accountable to Ministers, as set out in the Civil Service Code, and should deliver the programme in accordance with the objectives and policy intent as set by Ministers.

In addition to your internal accountabilities, SROs for GMPP projects and programmes are personally accountable to Parliamentary Select Committees. This means that, from the date of this letter, you will be held personally accountable to and could be called by Select Committees to account for and explain the decisions and actions you have taken to deliver the Geological Disposal Facility programme.

It is important to be clear that your accountability relates only to implementation, within the agreed terms in this letter; it will remain for the Minister to account for the relevant policy decisions and development.

It is recognised that the GDF programme is long term (see further details under 'Governance and Assurance' section) and is currently in the development phase. As such the revised Osmotherly Guidance explains that as SRO you will be expected to account for and explain the decisions and actions you have taken to deliver the project, against the business case, within the context of the NDA Mission and as a member of the NDA Group's senior leadership team. This letter will be revisited as the GDF programme moves into the next phase of delivery Tranche 3. It will remain for the responsible Minister to account for the relevant policy decisions and development, including accounting for decisions that materially affect the programme's business case, though the guidance makes clear that as SRO you are expected to be able to explain your position regarding such decisions.

More information on this is set out in [Giving Evidence to Select Committees - Guidance for Civil Servants](#), sometimes known as the Osmotherly Rules. Information on the roles and responsibilities of the SRO are detailed in the Infrastructure and Project Authority's guidance on [the role of the senior responsible owner](#). You should also make yourself familiar with the [Government Functional Standard for Project Delivery](#), the requirements of the Government Project Delivery Framework, and the guidance and requirements for project delivery as set by the Centre of Excellence team in the Implementation and Delivery Directorate.

Time commitment and tenure

This role will require at least 70% of your time to enable effective delivery of the role and execute your responsibilities in full.

You are required to undertake this role until achievement of end of the Tranche 2 phase of the programme, the recommendation to government of up to two sites for further detailed investigation and the progress of the Tranche 3 preparations work, planned for Q4 FY 2025/26.

This will be regularly reviewed with Corhyn Parr and David Peattie, taking into account the benefits of continuity, the capability needed to lead this programme through its development, planning, delivery and initial site evaluation phase; the length of these phases, your continued professional development and the NDA Group's ability to deploy its senior leadership team appropriately.

Progress towards this will be reflected in your personal objectives. Any changes to the agreed time commitment or tenure of the role, as set out above, will require both departmental and Infrastructure & Projects Authority consent.

Your tenure in this post will be regularly reviewed with Director General, Energy and Security, in consultation with Director Implementation and Delivery, taking into account the benefits of continuity, the capability needed to lead this programme through its development, planning, delivery and evaluation phases; the length of these phases, your development as a member of the programme delivery profession within the Civil Service, and the Department's ability to deploy its senior leadership team appropriately. You

should ensure that you have agreed with Joanna Whittington appropriate succession planning for key personnel in the programme.

Objectives and performance criteria

The policy intent supported by this programme is to implement the Ministerial commitment for geological disposal against a timescale which is necessary in order to maintain momentum and ensure its availability - currently planned for c. 2050-2060 for emplacing Intermediate Level Waste and c.2075 for emplacing High Level Waste and Spent Fuel. A GDF is vital to the successful decommissioning of the UK's civil nuclear legacy and our new build nuclear power programme which will support the Government's net zero ambitions.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised using the programme's governance framework, in conjunction with the Department's governance framework and may be subject to further levels of approval.

The vision of the programme is the safe, secure and cost-effective disposal of higher activity radioactive waste in a Geological Disposal Facility, to protect people and the environment, and its objectives are to:

- Achieve a positive local commitment by the community willing to host the GDF.
- Facilitate local economic benefits and growth for the host community through the GDF programme.
- Deliver a permanent solution for the disposal of higher activity waste through the design, construction and operation of a GDF, which is sustainable, affordable and represents value for money.
- Enable the retirement of the significant, and currently enduring, financial liability associated with the above ground storage of higher activity radioactive waste.

Your personal objectives and performance criteria which relate to the programme are:

- Have formed and supported four community partnerships and identify up to two potential additional communities for consideration if required by the end of March 2023.
- Deliver the capability, systems and supply chain support required to progress Tranche 2 and maintain community confidence.
- Deliver the Technical & Programme enabling outputs for the development of the Design Authority and Site Descriptive Model.
- Deliver seismic work for 2022, including all field based survey work planned and delivered by Q3 and put in place all necessary work to ensure delivery of the seismic work planned for 2023.
- Develop the GDF Programme organisational capability Safety, Security and Sustainability and inclusion.
- Major Permissions Outline Business Case endorsed by NDA board by end of Q1 and Design & Site Suitability Outline Business Case progressed according to plan.

You are expected to run your project in accordance with the [Government Functional Standard for Project Delivery](#), the other [Functional Standards](#) as applicable to this programme and the requirements of the Government Project Delivery Framework.

Extent and limit of accountability

Finance and Controls

HM Treasury spending controls will apply on the basis set out within the department's delegated authority letter. Where the programme exceeds the delegated authority set by HM Treasury, the Treasury Approval Point process will apply, and the details of each approval process must be agreed with your HM Treasury spending team. You should consult departmental finance colleagues on how to go about this.

You should note that where expenditure is considered novel, contentious, repercussive, or likely to result in costs to other parts of the public sector, HM Treasury approval will be required, regardless of whether the programme expenditure exceeds the delegated authority set by HM Treasury. If in doubt about whether approval is required you should, in the first instance, consult departmental finance colleagues before raising with the relevant HM Treasury spending team.

The overall estimated budget, resourcing requirements and tolerances for your project/programme will be agreed as part of the approval process. You will be expected to deliver within these tolerances and report quarterly on these as part of GMPP reporting.

You should operate at all times within the rules set out in [Managing Public Money](#). In addition, you must be mindful of, and act in accordance with, the specific HM Treasury delegated limits and Cabinet Office controls relevant to Geological Disposal Facility programme. Information on these controls can be found here: [Cabinet Office controls](#).

Delegated authority

You are authorised to approve expenditure in line with the NDA schedule of delegated authority.

You should use your programme's governance framework, in conjunction with the NDA's governance framework, as the means by which any necessary authorisation is sought for any changes to your programme's scope, milestones or scheduling. The NDA's Integrated Assurance and Approvals Plan (IAAP) sets out the limits and conditions of any approvals as well as the process to seek approval to materially change the scope of an approved programme. This may include recommending the need to either pause or terminate the programme where necessary in a timely manner.

Where issues arise which you are unable to resolve within delegated responsibilities, you are responsible for escalating these issues to the relevant governance body such as the NWS Board, NDA Board, BEIS Sponsor, Accounting Officer and HMT in a timely manner. This includes making any such recommendation to pause or terminate the programme as required.

These authority limits are subject to change and other conditions or tolerances may be set as part of the business case approval and ongoing monitoring processes which you should then operate within.

Where issues arise which take you outside of these authority limits which you are unable to resolve, you are responsible for escalating these issues to the relevant governance body such as NWS Board, NDA Board, BEIS Sponsor, Accounting Officer and HMT in a timely manner. This includes making any such recommendation to pause or terminate the programme as required.

Appointments

You should appoint a full time programme director to support you in the management of this programme and make other appointments as required for the control and delivery of your programme within your delegated authority.

Governance and assurance

You should pay attention to ensuring effective governance for your programme, including the establishment of a programme board with appropriate membership and clear terms of reference.

As primary owner, you must ensure that the programme secures business case approval from HMT and BEIS Projects and Investment Committee. You should also ensure that the programme remains aligned to the strategic outcomes, costs, timescales, and benefits in line with the approved business case as well as monitoring the context within which the GDF programme is being delivered to ensure it remains valid. The GDF Programme Business Case v4 was presented to the Treasury Approval Panel (TAP) on 9th July 2019 and received formal HMT approval on 2nd October 2019. The Whole Life Cost envelope to enable the inclusion of a range of scenarios associated with the waste inventory and technical outcomes was recently approved at TAP. Current estimates are between £10.2bn-£27.3bn cost to HMG to dispose of the legacy waste inclusive of uncertainty, risk and optimism bias, rising to ~£20.3-£53.3bn for the whole inventory.

The current phase of the GDF Programme is to deliver Tranche 2, the comparative assessment; to have identified and evaluated potential sites for a GDF that can be recommended to the UK Government for full site characterisation. Project 2 'Community Engagement & Site Evaluation' was approved through an Outline Business Case (OBC) by BEIS PIC in March 2018 which included approval of £67m spend over a five-year period, on the basis of an assumed number of communities expressing interest at a reasonable pace. The Full Business Case (FBC) was approved by BEIS PIC in January 2020.

In addition, the GDF programme will progress preparatory and supporting works for Tranche 3 'GDF Construction-Ready, with Community Consent' for which the Sub Programme Business Case was approved by BEIS PIC in May 2021.

Where a change impacts the scope, costs, benefits, or planned delivery milestones agreed as part of an agreed business case, you are responsible for following the agreed change request approval process and setting a new, approved, business case baseline.

You should ensure that an accounting officer assessment is completed alongside the approval of the Outline Business Case and that this is published on GOV.UK as part of the government's transparency requirements on major projects. You are responsible for bringing to the attention of the accounting officer any material changes in the GDF programme which could require a new accounting officer assessment to be completed and published. [Guidance on completing accounting officer assessments](#) for major projects is available from HM Treasury.

You should ensure that appropriate and proportionate assurance is in place and agree on the level and frequency of assurance reviews through the maintenance of an integrated assurance and approvals plan. You should develop this plan and its maintenance in collaboration with the Departmental Assurance Coordinator and the Infrastructure and Projects Authority.

Geological Disposal Facility programme status, reporting and transparency requirements

The GDF programme status at the date of your appointment is reflected in the most recent quarterly return on the GDF programme to the Infrastructure and Projects Authority/monthly delivery confidence

assessment to executive committee. This is the agreed position as you assume formal ownership of the programme.

You are responsible for ensuring the honest and timely reporting on the position of the GDF programme to the Infrastructure and Projects Authority while it remains on the GMPP and for providing reports and information to the BEIS portfolio management office as required. Reporting should include carbon measurement, and other sustainable development goals demonstrating evidence that the project contributes to an overarching environmental strategy and is aligned with defined Net Zero pathways. Information on the GDF programme will be published annually by the Infrastructure and Projects Authority.

You are responsible for publishing on GOV.UK a summary of the accounting office assessment completed in line with the approval of the Outline Business Case and summaries of any subsequent assessments should they be required.

To facilitate progress monitoring and to ensure that appropriate support is provided, you are also required to provide accurate, relevant and timely performance reporting to the Department's Executive Committee and supporting committees as set out in the [BEIS Performance Reporting Framework](#). If the GDF Programme is not already reporting, you are responsible for contacting the Corporate Reporting team (corporatereporting@beis.gov.uk) to set up monthly performance reporting via ORB (Online Reporting in BEIS).

As part of the government's commitment to transparency on major projects, you are responsible for publishing on GOV.UK:

- A summary of the accounting officer assessment completed in line with the approval of the Outline Business Case and summaries of any subsequent assessments should they be required;
- A summary of the final approved Full Business Case; and
- A close out report after the GDF programme has completed.

Development and support

As a graduate of the Major Projects Leadership Academy, you are expected to maintain your continuing professional development as a project leader, including your status as an accredited assurance reviewer. To maintain your accreditation, you will be required to participate in a review at least once every 12 months.

The department will assist you in securing the necessary resources to support the GDF programme, and will set clear guidance, requirements and standards, which align to the [Government Functional Standard on Project Delivery](#), to enable good governance and effective delivery. You will be part of the department's cohort of major project leaders who will be expected to support each other, share good practice and lessons learned and to collectively develop solutions.

You should liaise with the department's Head of Profession for project delivery, Simon Hulme, to discuss the maintenance and development of your delivery and leadership skills. You should also consult the [SRO guidance](#) available on the Project Delivery Hub which has a number of resources available to support you.

The Infrastructure and Projects Authority will be available to you for support, advice, and assurance throughout the programme's time on the GMPP.

Following approval of the business case and entry onto the BEIS Departmental Portfolio, the Controls and Assurance team will provide ongoing oversight and support and will take steps to help resolve and escalate risks, issues or constraints that are acting as a blocker to successful delivery.

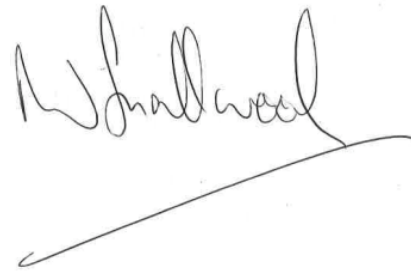
We would like to take this opportunity to wish you every success in your role as SRO.

Yours sincerely,



Sarah Munby

Permanent Secretary, BEIS



NICK SMALLWOOD

Chief Executive Officer, Infrastructure and
Projects Authority

CONFIRMATION OF ACCEPTANCE OF APPOINTMENT

I confirm that I accept the appointment of Senior Responsible Owner for the Geological Disposal Facility programme, including my personal accountability for implementation, as set out in the letter above.



Karen Wheeler

18 March 2022