

RADIOACTIVE WASTE MANAGEMENT LIMITED
(the "**Company**")

Minutes of the 30th meeting of the directors of the Company
held at NDA Harwell office, on 25th July 2017

PRESENT:

Mr David Batters	(Chairman)
Mr Claes Thegerström	(Independent Non-Executive Director)
Professor Michael Bowman	(Independent Non-Executive Director)
Mr Bruce McKirdy	(RWM Managing Director)
Mr Kiernan Doherty	(NDA nominated Non-Executive Director)
Professor Melanie Brownridge	(NDA nominated Non-Executive Director)
Mr Peter Lock	(RWM HSSEQ Director)
Mrs Ann McCall	(RWM Waste Management Director)
Mr Paul Vallance	(NDA nominated Non-Executive Director)

IN ATTENDANCE:

Jessica Ellis, Head of Geological Disposal, BEIS
Mr Peter Welch, NDA Head of Programme Waste Management
Mr Alan Fisher, Head of Programme – RWM (agenda item 4.1 only)
Ms Abigail Lockwood, Communications Adviser
Mrs Elizabeth Hodgson, RWM Company Secretary (video conference)
Mrs Nicola Beale, PA to Managing Director

1 APOLOGIES, QUORUM AND CONFLICTS OF INTEREST

- 1.1 The Chairman reported that, notice having been given to all directors of the Company, a quorum was present, and welcomed the attendees to the meeting.

2 CHAIRMAN'S INTRODUCTION

- 2.1 The Chairman reminded the directors of the need to consider their general duties, including those contained in the Companies Act 2006, in considering the matters put to the meeting. No new or additional conflicts of interest were declared.
- 2.2 The Chairman explained interviews for an Independent Non-Executive Director are taking place and the intention is to appoint someone soon.

3 MINUTES AND ACTIONS OF THE PREVIOUS MEETINGS AND REDACTIONS

- 3.1 The Board approved the minutes of the 23rd May 2017 meeting of Radioactive Waste Management Limited and, subject to some minor amendments, authorised the Chairman to sign them.
- 3.2 The Board reviewed the minutes of the 23rd May 2017 meeting of Radioactive Waste Management Limited to consider possible redactions needed prior to publication of the minutes on the RWM website. No redactions were identified.
- 3.3 An updated actions list is attached. In discussing Action 29.04, the Managing Director explained that NDA, RWM and BEIS Communications teams are working together to plan the appropriate release of policy information prior to the siting launch. The Head of Geological Disposal, BEIS, explained the process for Ministerial clearance. An integrated relationship with BEIS Communications team will be beneficial to the programme and will produce a strategic and integrated communications plan. By early August, there will be clarity and agreement on publication and RWM's role under aspects of the White Paper.

4 **UPDATE FROM BEIS**

- 4.1 The Head of Geological Disposal, BEIS, advised there will soon be a new Deputy Director responsible for decommissioning, radioactive waste and the Geological Disposal Facility.

5 **REPORTS FROM SUB-COMMITTEES**

- 5.1 The Chairman provided an update from the Audit and Risk Assurance Committee, reminding the Board that it will be chaired by the new Independent Non-Executive Director once appointed.
- 5.2 The Chairman informed the Board that the Annual Report and Financial Statements for the period ending 31 March 2017 were approved by the Audit and Risk Assurance Committee on 12th July 2017 and presented the Annual Report and Financial Statements for noting. The Chairman confirmed both external and internal auditors attended the Committee and were fully satisfied with the process and the document.
- 5.3 The Board noted the approval of the Annual Report and Financial Statements for the period ending 31 March 2017, including the completion of a going concern assessment and the assurances provided to the external auditors in the accompanying Letter of Representation.
- 5.4 Mr Doherty outlined the Committee's agreed approach to reviewing risk and assurance on behalf of the Board. The Board felt a full Board-level review of risks, to consider their continued relevance and accuracy, would be useful. This will be included in the forward plan.
- 5.5 The Chairman of the Remuneration Committee provided an update from the meeting, noting award performance levels and targets had been reviewed and made more robust. The Committee also considered succession and skills planning. The next meeting is in October and will consider the weightings of the objectives in the Business Plan. The timing allows for the structural changes in RWM to properly embed.
- 5.6 The Chairman of the HSSEQ Committee reported the meeting had taken place yesterday and a written report will be provided to the September Board. The Committee took a special item on fire safety and confirmed there is a low risk to RWM offices. The Committee discussed the office move and the increase in global cyber security threats, confirming that RWM is linked into the NDA cyber security risk programme. The Committee also discussed the need to manage and monitor workload.
- 5.7 The Board discussed the culture and mood of the organisation and agreed equality, diversity and inclusivity issues should be a Board level consideration and a standard agenda item.

Action 30.01: Board secretary to add equality, diversity and inclusivity as standard agenda item.

- 5.8 The Board noted the updates.

6 **RWM BOARD GOVERNANCE DOCUMENTS**

- 6.1 The Company Secretary presented the revised Board Terms of Reference, the Executive Terms of Reference, the Articles of Association, the revised Scheme of Reserved and Delegated Authority and the Register of Directors' Interests, outlining a number of changes made following the discussion and comments at the May meeting.
- 6.2 The Board raised a number of comments on the Board Terms of Reference including the addition of extra wording in the purpose section. The Board requested that the Company Secretary update the document in line with the points made in the meeting and agreed to approve the revised Board Terms of Reference by correspondence.

Action 30.02: Company Secretary to revise the Board Terms of Reference and circulate for email approval.

- 6.3 The Board noted the proposed changes to the Executive Committee Terms of Reference, commented in relation to the relationship to the Board Terms of Reference and requested additional wording be added regarding quality assurance.
- 6.4 The Board endorsed the proposed amendment to the Articles of Association, increasing the maximum number of directors. This amendment will require a shareholder resolution and for information to be filed at Companies House.
- 6.5 The Board approved the revised Scheme of Reserved and Delegated Authority, subject to further consideration of the structure of the document and whether governance and assurance are sufficiently explicit.
- 6.6 The Board confirmed the Register of Director's Interests is accurate and complete.

7 RWM BOARD EVALUATION 2017

- 7.1 The Company Secretary presented the purpose of the Board Evaluation and the process chosen. Results will be presented to the Board at a future meeting and an action plan will be agreed and taken forward by the Board.
- 7.2 Mr Doherty provided some suggestions on extra questions and the context in which to consider the questions. Following this additional input, the Company Secretary agreed to circulate the questionnaire to the Board during August.
- 7.3 The Board noted the importance of Board Evaluation, engaged with the process proposed and agreed to complete the survey in a timely manner.

8 ASSURANCE MAP

- 8.1 The RWM HSSEQ Director presented an evolving assurance map showing preliminary work to apply an assurance framework to RWM. Initial tasks have been to set out and map sources of assurance against key risks and core organisational processes. Those sources are then assessed to develop more detailed assurance plans. The document currently focuses more on siting and transition activities.

The Board provided some comments on the assurance map, requesting that lines of delivery were added and that the most significant sources of assurance should be emboldened. The Board encouraged the document not become over-complicated.

- 8.2 The Board noted the assurance map and supported its further development.

9 IPA REVIEW – DRAFT SCOPE AND TIMING

- 9.1 The Managing Director referred to the draft terms of reference for the forthcoming IPA assurance review and his response to BEIS on the matter. This discussion is an opportunity for the Board to provide views and feedback on the content of the review.
- 9.2 The Managing Director gave a presentation on the IPA assurance review of the GDF Programme, providing the context of the review and summarising the scope and purpose. Potential areas of questioning in stages 1 and 2 were outlined. The Managing Director noted some key dates and the link with internal audits. The RWM Transition Programme Director is leading the core RWM team and will keep the Board updated with progress.
- 9.3 The Board discussed the timing of the various independent assurance reviews such as the Readiness Review and the main IPA review noting the need to appropriately align all reviews and progress with plans with the timing of the IPA review.

9.4 The Head of Geological Disposal, BEIS, confirmed the terms of reference are in draft format and will be honed into a more streamlined document. Steps to progress the review and its timing would be discussed at the August GDPB meeting and more detail will be provided to the Board.

9.5 The Board noted the IPA review update and request to be kept informed on future progress of this as well as the broader assurance framework and forthcoming reviews.

Action 30.03: Managing Director to keep the Board informed on future progress of IPA review as well as the broader assurance framework and forthcoming reviews.

10 RWM BUSINESS PLAN 2017 -2020

10.1 The RWM Managing Director explained the 2017-2020 Business Plan was previously approved but has been amended to reflect the delayed launch of the siting process and recent changes.

10.2 Following the announcement of some structural changes to RWM staff, the revised Business Plan will be circulated for approval by correspondence.

10.3 The Board noted the update.

11 GDF PROGRAMME UPDATE

11.1 The RWM Managing Director proposed that a combined GDF siting/ communications strategy will be presented in September. The September meeting will also feature an update on the IPA review proposal and an update on the capability in programme management. The Board noted the intention to hold a programme related meeting of the Board in September.

11.2 The RWM Managing Director provided an update on organisational development.

11.3 The Board discussed the general observations of Mr Thegerstrom together with the limits and freedoms related to the government role in decision making and the positioning of the SRO role within NDA.

12 RWM MONTHLY PROGRESS REPORT, PERIOD 3, JUNE 2017

12.1 The Managing Director summarised the performance of RWM to date, noted the successful attendance at the Local Government Association conference, and discussed a research project to investigate the sealing of site investigation boreholes.

12.2 The Board asked for funding and efficiency areas tracking to be included in the Board report.

Action 30.05: Managing Director to add tracking of efficiencies into the Board report.

12.3 The Board discussed the management of any individuals involved in persistent security breaches.

12.4 The Waste Management Director provided an update on coordinated workshops held under the Higher Activity Waste Programme. The Board discussed the acceleration of a business case in relation to near-surface disposal to 2018.

13 STRATEGY FOR MANAGEMENT OF FUTURE HSSE RISKS

13.1 The HSSEQ Director presented the Strategy for Management of HSSE Risks, setting out a Regulatory Roadmap to understand the risks and requirements. RWM will be subject to a number of regulations, which will evolve as the organisation progresses through surface-based investigations to underground operations.

- 13.2 The HSSEQ Director spoke about the need to engender the right culture today to influence near-term risks and risks associated with future aspects of the programme. The Board discussed how RWM can influence staff and contractors to have the appropriate safety culture.
- 13.3 The HSSEQ Director presented the current key HSSEQ risks of RWM and how these change when moving into site investigation, construction and operational phases. The most hazardous phase is the construction of the facility and health and safety incidents in similar facilities were discussed. Professor Bowman noted the transformation of the safety culture in the oil and gas industry embedding the culture to all dimensions of the business including contractors and the importance of management of change was discussed.
- 13.4 The Board noted the presentation.

14 AOB

- 14.1 The Head of Programme for RWM provided a 'customer debrief' to the Board, summarising some observations and thoughts on the interaction between BEIS, NDA and RWM, the need for additional expertise in programme management, the improved relationship with waste producers and the need for appropriate incentivisation and assurance from NDA.

15 The DATE OF NEXT MEETING AND 12 MONTH LOOK AHEAD

- 15.1 The next meeting will take place on 26th September 2017.
- 15.2 The Board reviewed the 12 Month Look Ahead and discussed potential dates to visit Dounreay and Sellafield sites (in November 2017).
- 15.3 There being no further business, the Chairman declared the meeting closed.

.....Chairman