

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

Minutes of the 43rd meeting of the board of directors (the "Board") of the Company

held at BY TELECON

on 19 March 2020

commencing at 09:30 AM

PRESENT:	Professor Malcolm Morley	Chair
	OBE	
	Professor Mike Bowman	Independent Non-Executive Director
	Dr. David Prout CB	Independent Non-Executive Director
	Claes Thegerström	Independent Non-Executive Director
	Corhyn Parr	NDA nominated Non-Executive Director
	Andrew van der Lem	NDA nominated Non-Executive Director
	Karen Wheeler CBE	Chief Executive Officer
	John Corderoy	GDF Programme Director
	Peter Lock	HSSEQ Director
IN ATTENDANCE	██████████ on behalf of	Umran Nazir, Deputy Director, Decommissioning, Radioactive Material and GDF, Nuclear Directorate, BEIS
	██████████	Head of Legal and Company Secretary
	██████████	Board Assistant

1. APOLOGIES, QUORUM AND DECLARATION OF INTERESTS

- 1.1 Apologies were received from Umran Nazir, Deputy Director, Decommissioning, Radioactive Material and GDF, Nuclear Directorate, BEIS, Peter Welch, Business Services Director and ██████████ ██████████ Interim Director of Communications and Stakeholder Relations.
- 1.2 A quorum being present, Professor Malcolm Morley OBE took the chair and welcomed the attendees to the meeting.
- 1.3 Each director present confirmed that they had no interests to disclose in any transaction or arrangement to be considered at the meeting in accordance with sections 177 or 182 of the Companies Act 2006 and the Company's articles of association. The Chair reminded the Board to declare any interests that may arise throughout the meeting.

2. CHAIR'S INTRODUCTION AND SAFETY SHARE

- 2.1 The Chair welcomed everyone to the meeting which, due to COVID-19, was being conducted by conference call. It was noted that the COVID-19 pandemic would have an impact on business as usual operations and on RWM's ability to engage with communities.
- 2.2 The HSSEQ Director provided an update on the current COVID-19 situation. *[He reported that his team had been tracking the progress of the pandemic and had rolled out established contingency plans in response to the situation. The focus had been on communications with staff and on keeping offices open for as long as possible. It was reported that staff had now moved to home working and that the transition from office to home based working had gone well with 98.5% of staff successfully working remotely. The HSSEQ Director reported that the technology had been resilient and seemed to be working well. Where there had been technical issues these had been caused by capacity in the telecommunications network generally rather than by NDA/RWM network issues. He reflected that RWM was still in crisis management mode and that it needed to look towards medium term planning on the basis that staff were likely to be working remotely for a number of months and consider the impact this may have on the GDF programme.]*
- 2.3 The Board asked questions around the health and safety implications of long term home working and were advised about some of the measures that had been taken, which included allowing staff to take monitors home from the office and making more home working kits available. It was acknowledged that RWM's earlier move to agile working meant that RWM staff had perhaps been more easily able to quickly adapt to remote working than some other businesses.
- 2.4 The HSSEQ Director reported that mental health and wellbeing whilst people were working remotely for long periods was a key concern and that steps were being taken to ensure that line managers and teams remain in close and regular contact. He also provided details of how the Mental Health First Aider scheme was going to operate whilst staffs were working remotely.
- 2.5 The CEO acknowledged that staff had risen to the challenge of working remotely incredibly well, that they were generally feeling relatively positive about the arrangements and that there had been good internal communications around the revised working arrangements.

3. MINUTES, ACTIONS AND MATTERS ARISING

- 3.1 The Board discussed the minutes of the 42nd meeting of the Board, held on 23 January 2020, and agreed that the minutes of the meeting be approved.
- 3.2 The Board reviewed progress against the action list and the following updates were noted.

ACTION 42/01 and 43/01: *Review and update as necessary the existing RWM position paper on retrievability.* The Chief Executive explained that a first draft of this note has been prepared by the Chief Scientist. The revised paper will be presented to the Board at the April Board Workshop.

ACTION 42/02: *The GDF Programme Director to start to consider the preparation of a public facing document which explains to the public where and how taxpayer's money is being spent on the GDF programme.* The GDF Programme Director explained that this is in progress. The GDF Programme Director had been in communication with the BEIS communication team to take this forward.

ACTION 43/02 The GDF Programme Director to report back to the Board with an update on when the public facing document which explains to the public where and how taxpayer's money is being spent on the GDF programme (referenced in Action 42/02) will be put to Ministers

ACTION 42/03: Provide the Board at the February meeting with a draft paper on the analysis undertaken to date on the impact that a test of public support at various stages of the programme would have on the cost and schedule of the programme. The GDF Programme Director reported that a draft paper had been produced internally. A revised paper is scheduled to be presented to the Board at the April Board Workshop.

4. **UPDATE FROM BEIS**

4.1 The Board welcomed [REDACTED] to the meeting, to represent BEIS.

4.2 [REDACTED] explained that BEIS is leading on the Government response to COVID-19 for business and that this will mean some aspects of nuclear work could be delayed as resources are shifted elsewhere. For example, no submissions will be sent up to Ministers unless they are safety critical or are required to satisfy a statutory requirement. There could also be impacts on a number of nuclear related policies and white papers currently being worked on. The Government is unlikely to publish its consultation on its new Nuclear Decommissioning and Radioactive Substances Policy during the COVID - 19 crisis and the planned publication date of June 2020 now looked unlikely.

4.3 The Board discussed the commission by CORWM of a consultant to conduct a technical literature review to consider whether it is possible to accelerate the GDF programme. The Board felt that RWM could add value to the review by ensuring that the review team had access to any relevant data that RWM has and the expertise of the team.

ACTION 43/03: The HSSEQ Director to liaise with CORWM to better understand the scope and Terms of Reference of the planned review into accelerating the GDF programme and to offer any assistance from RWM.

4.4 Minute redacted - EIR reg 12(4)(d)

4.5 [REDACTED] said the proposed visit of the BEIS Minister, Nadhim Zahawi MP, to Harwell had been put on hold because of the COVID - 19 pandemic. The Board commented on the importance of including a full briefing for the Minister on the GDF programme as part of preparation for any visit.

5. **REPORTS BY EXCEPTION**

5.1 **Safety:** The HSSEQ Director noted that the main safety issue had been discussed at Agenda item 1. He reported that he had attended a positive meeting with CORWM recently. He also reported that there had been a loss of control of personal data which had been reported to the Information Commissioner's Office (ICO) under data protection legislation. The ICO had raised a few questions in response to this submission and has subsequently confirmed to RWM that the Company's response has been satisfactory.

5.2 **Finance:**

2019/20 position: This was reported upon under the Programme and Performance update as the Business Services Director was not present.

Spending Review update: It was noted that the Company's preparations for a spending review are progressing well but that it was unlikely that the Government would commence a further spending review until after the COVID - 19 pandemic was over.

5.3 **Programme and Performance:** The GDF Programme Director reported that the latest period 11 data gives RWM a projected underspend of £2.3m against its agreed budget. He reported that this position was unlikely to be significantly different at the year end point because most of the work is already with the supply chain and therefore that any reduction in activity is unlikely to affect this. He also noted that 9 out of RWM's 10 corporate targets were currently green and that the one target which is currently amber relates to progress

in getting communities through the siting process and that the reasons why this target has not been met are well understood.

5.4 **Communications:** The Chief Executive presented a short update and explained that the COVID - 19 pandemic had had a significant impact on RWM's forward plan of events and stakeholder engagement.

5.5 **Siting:**
Minute redacted - EIR reg 12(4)(d)

6. **REVIEW AND APPROVE TARGET OPERATING MODEL FOR OS3**

6.1 The Chief Executive presented a paper to the Board which set out the Operating Model and Organisation Structure required by RWM over the next few years to enable it to deliver its mission. This was a paper which was subject of an NDA group key target that RWM would have an agreed Target Operating Model and Organisation Structure for its next operational state by the end of March 2020.

6.2 The Chief Executive explained that the Operating Model would evolve over time.

6.3 The Board made a number of points about the paper, including: i) the need for more work to develop the "*Intelligent Client*" model and supply chain management as a core competency; ii) that there are too many roles reporting directly into the Chief Executive; iii) the need to do some really thorough analysis looking at what goods/services could and should be procured from the supply chain and what skills/expertise must be retained in house; iv) that assurance, stakeholder facing work and "*Intelligent Client*" roles were examples of capabilities which should always be delivered in house; and v) that more detail is needed on the governance structure slide to reflect BEIS and Ministers role.

ACTION 43/04: The Chief Executive to address all these points in the work to take the Target Operating Model forward, and to consider a smaller number of direct reports.

ACTION 43/05: The GDF Programme Director to circulate to the Board the existing RWM capability architecture analysis, which helps to describe the activity which will remain in house and the activity which will sit in the supply chain.

ACTION 43/06: The Chief Executive to review the slide in the Target Operating Models slide pack which sets out the RWM Governance Structure (page 30 of the Board pack) to include a fuller description of the governance of RWM, including at NDA and Government level.

6.4 The Board **APPROVED** the Target Operating Model and Organisation Structure subject to the comments and suggested amendments which had been made and its review at a Board meeting later in the year.

7. **2020/23 OPERATING PLAN**

7.1 The Chief Executive introduced a paper which sought approval from the Board of the draft RWM Operating Plan and Corporate Targets. It provides a description of RWM's work and priorities against which RWM's performance will be reported to the Board.

7.2 The Board discussed the draft plan and made some comments including: asking for clarification of the descriptions of Teams 1, 2 and 3 (page 10 of the Operating Plan/44 of

the Board Pack), clarification of how RWM would track progress of IPs between Team 1 and Team 2; and whether it remained valid/ credible to retain a measure relating to 5 Community Partnerships.

ACTION: 43/07: The Chief Executive and GDF Programme Director to ensure the Operating plan is updated to reflect the comments and for review by the Board at a meeting later in the year.

- 7.3 The Board discussed whether it was sensible to approve the Operating Plan and Corporate Targets now when the COVID - 19 pandemic may have such a significant impact on operations.

ACTION: 43/08: The Chief Executive to provide an update to the April Board Workshop on the progress to develop the Operating Plan and Corporate Targets and the impact of COVID - 19 on those plans.

- 7.4 Subject to the actions above the Board **APPROVED** the Operating Plan and Corporate Targets which the Business Services Director will take forward.

8. **TRANCHE 3 - ROUTE TO DELIVERY OF THE BUSINESS CASE**

- 8.1 The Chief Executive introduced a paper showing the current plans for Tranche 3 of the GDF programme, which is focussed on the GDF development phase, and explained that it was the intention of the Executive to bring a more substantive piece of the work to the Board in April.

- 8.2 Ms Parr noted that the NDA wants to set an approvals timetable which works for RWM, when RWM can produce an acceptable business case.

- 8.3 The GDF Programme Director explained that under the current plan, the business case would be due to go to BEIS Project Investment Committee in November 2020, which would require the business case to go to the RWM Board in May and the NDA in June. RWM is keen to progress quickly, but is now working on a revised plan which will take a few months longer. The GDF Programme Director stressed that if Tranche 3 is scheduled to start in 2025 that doesn't leave much time to get through the approval process and commence some of the procurement activity so RWM needs to make progress quickly

- 8.4 The Board made two specific comments on the Tranche 3 presentation. The first regarding the proposal to appoint a Delivery Partner for Community Engagement (page 88 of the Board Pack) and whether it was possible to transfer that role to the supply chain. The second in reference to the slide (page 94 of the Board Pack) setting out the scope of work for Tranche 3 in respect of the knowledge and assessment of the radioactive waste inventory which, in the Board's view, was needed at a much earlier stage of the process and before site characterisation because it influences so many decisions.

- 8.5 The Board **APPROVED** the Supply chain delivery partner approach for Tranche 3 and noted that the subject would be brought back to the Board for a further discussion at the April Board Workshop.

ACTION: 43/09: The GDF Programme Director to clarify the scope of Tranche 3 to make it clear that a Delivery Partner will not be running RWM's community engagement work.

ACTION: 43/10: The Chief Executive and GDF Programme Director to bring Tranche 3 back to the April Board workshop and reflect a wider scope than just the procurement strategy.

9. **DRAFT 2019/20 ANNUAL REPORT AND ACCOUNTS**
- **Storyboard, narrative and timeline**

9.1 The Chief Executive provided an update to the Board on the planned approach for the annual report and accounts which she asked the Board to approve. She explained that the proposal is to have two sets of accounts. The first would be a formal set of accounts which contain all of the statutory information for filing at Companies House. The second would be a public facing document which would contain much more information about RWM and its mission.

9.2 The Board **APPROVED** the approach to the preparation of the annual report and accounts which the Business Service Director and Interim Director of Communications and Stakeholder Relations would lead on.

10. **RISK MANAGEMENT FRAMEWORK**

10.1 The Chief Executive presented the revised RWM Risk Management Framework to the Board. She explained that it had been reviewed by the Audit and Assurance Committee and now needed Board approval before it could be implemented within RWM.

10.2 The Board discussed the framework generally, complimented the revisions to the document since they last saw it and stressed how it could be used to drive performance and improve culture in the organisation. The Board also discussed the plans to roll the framework out across the organisation.

10.3 The Board **APPROVED** the Risk Management Framework and the plan to operationalise it, which will be led by the GDF Programme Director.

11. **HSSEQ STRATEGY**

11.1 The HSSEQ Director introduced a revised HSSEQ strategy for RWM. He explained that the assumption is that each directorate in RWM has its own strategy and that this iteration of the strategy is part of RWM getting ready and prepared so that it can become a regulated organisation.

11.2 The Board discussed generally the importance of embedding the HSSEQ Strategy in the Company and the significance of changing the safety culture to embrace the change of focus to a delivery organisation and a regulated organisation. The Board also discussed ways in which they could be seen to support safety in the organisation without getting in the way of the Chief Executive and her team.

11.3 The Chair asked if the HSSEQ Strategy was consistent with the One NDA initiative and the HSSEQ Director explained that he was working closely with his counterparts across the NDA group as part of the functional alignment work and was confident that the strategy was aligned with the rest of the group

11.4 The Board **APPROVED** the HSSEQ Strategy and requested a plan to build and embed the safety culture within the organisation.

ACTION: 43/11: The HSSEQ Director to provide the Board with a plan demonstrating how RWM will build and embed the safety culture within the organisation.

12. **REPORT FROM BOARD COMMITTEES**

12.1 **Audit and Assurance:** There was no update from the Audit and Assurance Committee.

12.2 **Remuneration and Organisational Development Committee:** A meeting of RODCO had taken place just prior to the Board Meeting and the relevant members of that committee stayed on the line following the Board Meeting to conclude their discussions about Executive calibrations. The recommendations of the Committee were agreed and delegated authority was given to the Chair of the Board, in consultation with the Chair of the Committee, to agree the final appraisal scores of the Managing Director.

12.3 **Regulatory Committee:** Mr Thegerström reported that the Regulatory Committee meeting scheduled for that afternoon had been cancelled.

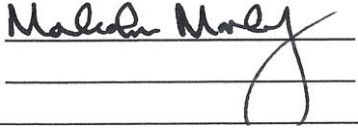
12.4 **Programme Committee:** Dr Prout reported that the Programme Committee was still meeting that afternoon. He explained that the focus for the Committee was helping RWM to develop a meaningful Plan on a Page with an agreed programme sitting behind it.

13. **ANY OTHER BUSINESS**

13.1 There was no other business to report.

14. **CLOSE OF MEETING**

14.1 It was noted that there would be a Board Workshop on 30 April 2020 and that the next Board meeting would take place on 27 May 2020, and the meeting was closed.



CHAIR OF THE MEETING