

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

Minutes of the 45th meeting of the board of directors (the "Board") of the Company

held at BY TELECON

on 27 May 2020

commencing at 09:30 AM

PRESENT:	Professor Malcolm Morley OBE	Chair
	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, RWM
	John Corderoy	GDF Programme Director, RWM
	Peter Lock	HSSEQ Director, RWM
IN ATTENDANCE	Umran Nazir	Deputy Director, Decommissioning, Radioactive Material and GDF, Nuclear Directorate, BEIS
	██████████	Head of Legal & Company Secretary, RWM
	██████████	Board Assistant, RWM
	██████████	Acting GDF Siting and Engagement Director, RWM
	██████████	Head of Permitting and Consents, RWM
	██████████	Director of Communications and Stakeholder Engagement, RWM (Agenda items 5 and 9)
	██████████	Chief Policy Adviser, RWM (Agenda item 8)
	████████████████████	Chief Scientific Adviser, RWM (Agenda item 10)
	██████████	Head of Risk, RWM (Agenda item 13)

1. INTRODUCTION, APOLOGIES, QUORUM AND DECLARATION OF INTERESTS

- 1.1 Apologies were received from Peter Welch, Business Services Director, RWM and Andy Wong, Transformation Director, RWM.
- 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. The Chair reminded the Board to declare any interests that may arise throughout the meeting.

2. MINUTES, ACTIONS AND MATTERS ARISING

- 2.1 The Board discussed the minutes of the 43rd meeting of the Board, held on 19 March 2020, and the 44th Board meeting held on 30 April 2020 and agreed that the minutes of both meetings be approved.
- 2.2 The Board reviewed progress against the action list and the following updates were noted:

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. The GDF Programme Director explained that this remains outstanding because the Secretary of State is only taking Covid 19 related papers at this time.

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. The HSSEQ Director reported that this has been completed: the Terms of Reference for the review have now been reviewed and that the Chief Executive has spoken to the CoRWM chair about the review.

ACTION 43/04: The Chief Executive to address all of the points made by the Board at the March Board meeting on the Target Operating Model in the work to take the model forward, and to consider a smaller number of direct reports. The Chief Executive said she has already factored comments into the TOM presented to the Board. She would be further considering implications for her management structure through the Summer and will report back any further proposals to the Board in September 2020.

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. The HSSEQ Director confirmed that work on this was underway but was not yet complete. A target completion date of July 2020 was given.

3. CHIEF EXECUTIVE'S UPDATE

- 3.1 The Chief Executive's update reflected on personal safety and the continuing stresses on staff of the Covid 19 restrictions, especially those with caring and other responsibilities.
- 3.2 She highlighted the need to also focus on process safety as part of RWM becoming a licensable organisation. The Chief Executive reported on the success of a recent virtual staff away day which saw over 200 people attend and which has received positive feedback from staff. At the away day, attendees raised and discussed the importance of safety culture which prompted a very helpful discussion and sharing of ideas. The Board emphasised the need for safety culture to be driven from the top
- 3.3 The Chief Executive explained that work is well underway to facilitate a return to the office from the end of June, assuming that was aligned with the rest of the NDA group businesses.
- 3.4 The Chair recognised that one area of concern is the wellbeing of colleagues and asked if there was anything else that RWM or the Board could do to help staff with their Mental Health. Reference was made to the work that the Business Services Director is leading in this area and

the recent Mental Health Week which has been helpful. The Board discussed generally the need to try and minimise workload caused by commissions for papers and presentations, though it recognised that is a challenge given the importance and focus on the siting process.

3.5 The Chief Executive also reported on a successful presentation on the current status of the siting process to the NDA Executive Committee and on a forthcoming joint meeting about Siting with BEIS and NDA.

3.6 It was noted that Guy Esnouf, RWM's new Communications Director, joins RWM on 1 June 2020 and that he would be introduced to the Chair and then to the Board in due course. It was also reported that recruitment campaigns for a Siting Director and a Commercial Director were underway.

4. **COVID 19 RESPONSE UPDATE**

4.1 The Board discussed the impact of the Covid 19 restrictions on the RWM budget and spending review and the Chief Executive advised that this is being reviewed on a monthly basis. It was noted that the NDA is keen that the impact from Covid 19 be contained in Q1 wherever possible.

4.2 The Board asked for an explanation of the practical impact on the progress of the GDF programme. The GDF Programme Director presented work which identified four areas of impact:

- Siting and the GDF 2020 campaign plan.

Engagement has slowed because people cannot meet face to face but it has not stopped; the three Siting teams which have been established to develop and maintain contacts as they progress through the siting process are continuing their work online and through telephone contact so are still able to have productive conversations.

- The potential for a change in attitudes.

It has been recognised that, even when the Covid 19 restrictions have been lifted, some potential interested parties may be focussed on recovery rather than geological disposal. However, some are already seeing geological disposal as a way of helping with that recovery.

- Impact on the Technical Programme.

There have been some short term delays to some of the technical work because, for example, laboratories have been closed. It is not anticipated that this will have a significant impact upon the technical programme because most research projects are long term and a 3 - 6 month delay is unlikely to have a material impact on that work. However, spending in this area has been impacted and the Technical function's ambitious plans for growth have been impacted because recruitment is much harder in the current environment.

- Impact on the latest best estimates for expenditure against RWM's budget.

It was explained that the estimated spend in both the Technical and Siting areas is likely to be significantly reduced but that the extent of any underspend will depend upon when and how the Covid 19 restrictions are relaxed. Much of the delay in these areas is linked to the inability to establish a working group during the current restrictions but that a lot of the work which is being delayed is not on the critical path (eg the development of a Technical Display Area) which does not necessarily mean that there will be a corresponding delay to the GDF programme.

4.3 The Board noted that they found it hard to understand the impacts upon RWM's budget being described to them and asked for a written explanation of the impact of the various scenarios discussed on RWM's budget. The Chief Executive confirmed that the information being referenced was taken from existing information which could be circulated.

Action 45/01: The Chief Executive to circulate the report which describes the impact of the Covid 19 restrictions on the RWM budget.

5. REPORTS BY EXCEPTION

5.1 **Safety:** The HSSEQ Director reported that work to manage home working was progressing well and that detailed planning was underway for a return to the office.

5.2 He explained that whilst everyone is working remotely it is not possible to conduct face to face security checks for new starters and that a risk based approach has been implemented to try and address this. This process requires sign off by a number of people in RWM and NDA and can lead to some delays. There have been three recent instances where contractors have been engaged before the necessary checks had been carried out which have resulted in notifications to the Office for Nuclear Regulation. It was noted that communications from the Executive would be made to the teams to stress the importance of completing the necessary security processes before people start.

5.3 **Finance:** There was nothing to report.

5.4 **Programme and Performance:** It was noted that a new role of a senior GDF Programme Manager has been created to provide support to the GDF Programme Director and that this role will be undertaken on an interim basis by [REDACTED] until a permanent appointment is made later in the year.

5.5 **Siting:** An update on siting was provided under Agenda item 7.

5.6 **Communications:**
Minute redacted - EIR Reg 12(4)(d)

5.7 The Board noted that it was the Director of Communications and Stakeholder Engagement's last Board meeting before she returned to her role at the NDA and the Chair thanked her for her contributions and the positive impact she had made during her time at RWM.

6. UPDATE FROM BEIS

6.1 The Board welcomed Mr Nazir, Deputy Director, Decommissioning, Radioactive Material and GDF, Nuclear Directorate, BEIS to the meeting.

6.2 Mr Nazir reported that approximately a third of staff from his department had been diverted onto work relating to Covid-19 and that this had impacted on work on a number of nuclear related policies and white papers, including the NDA's development of its fourth strategy.

6.3 He also explained the work which has been undertaken across the NDA group to work with the supply chain to ensure that they continue to be paid so that the supply chain can quickly re-mobilise once Covid 19 restrictions are relaxed.

7. PROGRAMME STATUS AND UPDATES COVERING SITING AND TRANCHE 3 BUSINESS CASE DEVELOPMENT

7.1 The GDF Programme Director presented the Board with the timeline for the preparation and submission of the business case for Tranche 3 and provided an outline of the planning work which is being undertaken as part of the development of that business case.

7.2 The Board reviewed the key elements and decision points during Tranche 3 and focussed upon the scenarios which are being considered in the business case, the planning work involved in

the preparation of the business case, the key technical and commercial risks and the key strategic decisions which will need to be taken during Tranche 3.

Action 45/02: The GDF Programme Director to ensure that the decision points during Tranche 3 are clearly defined in the business case to enable the Board to understand when these occur and the risk/cost implications of these key decisions.

7.3 The GDF Programme Director outlined that the timeline for producing the business case has been extended to accommodate additional work and that it is now anticipated that the business case will come to the Board for review in November 2020.

7.4 The Board discussed generally the timelines involved in the preparation of the business case and stressed the need for it to be right first time to avoid any problems which might be encountered as it passes through the various governance stages. The Board noted the timetable and asked that the Board be provided with an appropriate draft of the business case as soon as possible to enable it to begin reviewing the document ahead of the formal approval process. The Chair also concluded that the Board would need a full Board Workshop dedicated to the Business Case to enable it to have a full discussion on this subject.

Action 45/03: The Board Administrator to ensure that a Board Workshop is scheduled to review the Tranche 3 Business Case at an appropriate time in the autumn ahead of the business case coming to the Board for formal approval.

7.5 The Board discussed the interactions with regulators during Tranche 3 and the Head of Permitting and Consents explained how RWM would interact with regulators during the programme, in particular around applications for Development Consent Orders for deep boreholes, and how the regulatory processes are embedded in all of the planning work for this phase of the programme.

Action 45/04: The GDF Programme Director to work with the Head of Permitting and Consents to ensure that the regulatory requirements and the schedule impact of those requirements are clearly articulated in the Business Case and any future T3 update slides.

7.6 The Siting and Engagement Director provided an update to the Board on discussions with interested parties engaged in the siting process. The Board discussed the role of local authorities in the areas under consideration and noted the progress on the Tranche 3 Business Case and the positive devolvement of discussions with interested parties.

8. **TEST OF PUBLIC SUPPORT: A PAPER OUTLINING THE APPROACH AND OPTIONS, WHICH WILL INFORM THE T3 BUSINESS CASE**

8.1 The Chief Policy Advisor introduced a paper which considered the options for holding a Test of Public Support at an earlier stage in the siting process than currently anticipated. This had been prepared in response to previous Board discussions which considered how RWM might reduce some of the uncertainty in the programme by taking a Test of Public Support before some of the more significant expenditure had been incurred.

8.2 The Chief Policy Advisor outlined that both the UK and Welsh Government Working with Communities policies require a Test of Public Support (ToPS) to be taken within the Potential Host Community that is identified around any proposed GDF. The precise timing is not specified so there is flexibility to deliver this at a time that maximises the chances of success, in agreement with relevant Principal Local Authorities on a Community Partnership, whose decision it is to trigger a ToPS within their boundaries.

8.3 The paper outlined three options for the Board to consider:

- Option 1 - RWM focuses on areas with the potential for greater early technical certainty combined with increased efforts on what can be delivered by way of Significant Additional Investment and increased public engagement.

- Option 2 - RWM seeks early support from a community through Significant Additional Investment.
- Option 3 - RWM makes incremental improvements to the current baseline siting approach focusing more on proactive engagement.

8.4 The Board had a lengthy discussion on the context of the paper and sought input from a number of attendees on the subject. The Board concluded that it was supportive of Option 1, noting that this option also includes all the work which would be done for options 2 and 3. The Board also suggested there should be more emphasis on the benefits of the GDF investment, and that RWM should not focus exclusively on "Significant Additional Investment".

8.5 The Board made some general comments about the style and language of the paper and commended the authors for what they considered an excellent paper.

9. **COMMUNICATIONS: DEVELOPMENT OF A STRATEGIC NARRATIVE AND CAMPAIGN**

9.1 The Director of Communications and Stakeholder Engagement introduced a paper which proposed that RWM develops a single document which outlines the key strategic narrative behind geological disposal. The Board was advised that the document is intended to clearly set out the facts about why a permanent solution for higher activity radioactive waste is needed and that a GDF can be delivered safely and securely and generate permanent benefits for the host community.

9.2 A draft of the strategic narrative document had been provided to the Board and Members were invited to send any specific comments they have on the document outside of the meeting.

9.3 The Board requested that the following be undertaken: (i) that the photographs used in the document be reviewed from an equality and diversity point of view; (ii) that the document be checked by a technical writer; and (iii) that a review be undertaken to see whether the document could be shortened and made more concise without losing the key message.

9.4 The Board **endorsed** the approach being taken to articulate the strategic narrative subject to the comments in paragraph 9.3 being actioned, any further comments being incorporated and the Board having an opportunity to review the final draft of the document before it is published.

Action 45/05: The Director of Communications and Stakeholder Engagement to take the Board's comments into account as the document develops and to ensure that the Board has the opportunity to review and comment upon the final version.

Action 45/06: Board Members to pass any comments they have on the strategic narrative document to the Director of Communications and Stakeholder Engagement via the Company Secretarial team.

10. **RETRIEVABILITY: RWM POSITION ON RETRIEVABILITY TO INFORM STAKEHOLDER COMMUNICATIONS**

10.1 The Chief Executive introduced a paper which had been prepared by RWM's Chief Scientific Advisor outlining the current position on the retrievability of waste from a GDF in order to help support planning for engagement with stakeholders about hosting a facility in their community.

10.2 This paper had been submitted as part of the agenda for the April Board Workshop but had been moved to the May Board Meeting. Since the April Board Workshop the paper had been discussed by the NDA's Senior Strategy Committee and it had been updated to reflect the input of that committee. The Chief Scientific Advisor noted that the Senior Strategy Committee had helpfully clarified that the development of detailed messaging related to those materials not yet designated as waste, specifically plutonium and spent fuel, was the remit of NDA and not RWM.

- 10.3 The Board discussed generally the interaction between the parts of the messaging that the NDA is responsible for and the parts that RWM is responsible for and it was confirmed that the NDA has offered to support RWM at meetings with communities and stakeholders so that there is one consistent message around retrievability.
- 10.4 The Chief Scientific Advisor also reported that the Senior Strategy Committee focussed heavily on the language used in the paper. The clear steer given by the Senior Strategy Committee was that a GDF will not be built or designed for *retrievability* but that this doesn't mean that waste cannot be *recovered* if considered necessary and if the strategic imperative meant that the cost of doing so would be met.
- 10.5 The Board noted the paper and suggested clarifying what is meant by "operational" (ie while the GDF was open and still being managed) needed to be clearly defined and that clarity on the inventory was essential in order to be able to have meaningful discussions with stakeholders.

Action 45/07: The Chief Scientific Officer to clarify the term "operational" and to provide clarity on how the waste inventory influences the key messages.

11. IMPLEMENTATION PLAN FOR RWM TRANSFORMATION

- 11.1 The Board had been provided with a presentation which set out a summary of the Futures Implementation Plan and included an overview of the organisational diagnostics and gaps, and the approach and plan to address the gaps.
- 11.2 Whilst the Board had received apologies from the Transformation Director they discussed the presentation generally and emphasised that RWM must ensure that it highlights existing strengths which are to be built upon and that, as with any exercise which seeks to increase headcount, it ensures that it focusses upon appointing the right people.
- 11.3 The Board **endorsed** the summary content of the Future Implementation Plan, noted that a full version of the Futures Implementation Plan would be presented to RODCO for formal sign off and requested that in future the Transformation Team presents the Board with a dashboard summarising progress.

Action 45/08: The Transformation Director to create a dashboard showing progress on the transformation programme for presentation to the Board.

12. DOCUMENTING RWM'S CORPORATE GOVERNANCE

- 12.1 The HSSEQ Director provided an update on some of the work which is being done to clarify and improve RWM's governance arrangements.
- 12.2 He focussed on three areas:
- An "**Interface Agreement**" between RWM and NDA. This is a contract style document which is intended to replace the existing Services Agreement between RWM and NDA which is now very out of date. This agreement is being standardised across the NDA group and each subsidiary will eventually have an Interface Agreement with the NDA setting out how they work with each other and share information. An important component of the Interface Agreement will be the Strategic Specification it contains which will set out the work the NDA expects RWM to deliver its part of the NDA Strategy.
 - **Governance.** Work is currently underway to map the current governance arrangements between RWM, its parent organisation, the NDA and the NDA's sponsoring department, the Department of Business, Energy and Industrial Strategy.
 - **Assurance.** The HSSEQ Director outlined that RWM has good risk based assurance processes in place for in the Regulatory and HSSEQ areas and is working on developing an integrated approach to assurance across the Company which will incorporate programme and corporate assurance too.

12.3 The Board discussed generally the work being done on governance and considered the proposed Interface Agreement and how this would work in practice. Ms Parr shared some of her experience of working on similar documents with other parts of the NDA Group.

13. **RISK REVIEW/UPDATE**

13.1 The Board had received a Board risk register prepared by the RWM Risk manager which was discussed. The GDF Programme Director advised that an additional key risk which is under discussion but not yet written down is the risk that other government priorities and funding needs might affect the priority given to GDF.

14. **REPORTS FROM BOARD COMMITTEES**

14.1 The Chair invited updates from the Committees by exception.

14.2 The Board was referred to a note which had been circulated by Mr Thegerström prior to the meeting.

14.3 There were no updates from the Programme, Audit and Assurance or Remuneration and Organisational Development Committees.

15. **FORWARD LOOK**

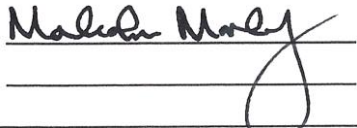
15.1 This will be updated after the meeting.

16. **DATE AND TIME OF NEXT MEETING**

16.1 It was noted that there would be a Board Workshop on 25 June 2020 at 9:30am and that the next Board meeting would take place on 29 July 2020 at 9:30am.

17. **ANY OTHER BUSINESS**

17.1 There was no other business and the meeting was closed.



CHAIR OF THE MEETING