

**Minutes of the third meeting of the Programme Management Board,
25th June 2012 held at NIA offices, 22a St James's Square, London
SW1.**

Present:

Lord Hutton of Furness (**Chairman**)

NAME REDACTED

NAME REDACTED

NAME REDACTED

NAME REDACTED

NAME REDACTED

NAME REDACTED

Hergen Haye

NAME REDACTED

NAME REDACTED

NAME REDACTED(**Secretary**)

NIA

EdF Energy

Horizon Nuclear Power

NuGeneration Ltd

AREVA

Nuclear Decommissioning Authority

ONR

DECC, OND

Nuclear Energy Skills Alliance

ICE

NIA

In attendance:

NAME REDACTED

OND

NAME REDACTED

OND

NAME REDACTED

BIS

NAME REDACTED

Rolls Royce

NAME REDACTED

NIA

Apologies

NAME REDACTED

EDF Energy (represented by Mr Mayson)

NAME REDACTED

Unite

NAME REDACTED

Westinghouse

Tim Stone

DECC, OND

Progress Report

Skills

NAME REDACTED gave an update on the work of the Nuclear Energy Skills Alliance and NSAN (presentation attached), including development of a workforce planning tool which would use source data from the current NIA Capability Review update. As an employer-led body NSAN welcomed strategic direction from industry and the Board could have a key role in this.

It was noted that concerns were often expressed about the multiplicity of training bodies and there were calls for a single training body. The role of NESA was to provide coordination between different bodies so that there was a concerted view for the industry as a whole, but it had to be recognised that there were different training activities which a single body would not be able to address effectively.

In discussion, improved communication with employers would be welcomed but it was recognised that industry had to be clear about specifying its requirements. Industry should give full support to the training bodies if it is to get the most from them.

Construction Best Practice

At its previous meetings the Board had identified

- the importance of a shared culture and understanding of the principles that should guide supply chain relationships and
- the potential for a centre for research and best practice in nuclear new build construction, fulfilling for construction a role similar to that played by the NAMRC in manufacturing.

Discussions had therefore been held with a number of organisations involved in promoting and disseminating construction best practice including the professional institutions and Constructing Excellence.

It was recognised that there was already a range of activities to develop best practice including the actions of developers, contractors and industry organisations. There was already widespread understanding of best practice principles and these were evidenced in successful recent projects including the Olympics and Terminal 5. The challenge was not to conduct research into what the best practice principles are, but to develop a common understanding of how these are to be applied in the civil nuclear programme.

In this context it would be important to be clear about what any additional activities by the Board in this area could contribute. It was recognised that any activity should be sensitive to the needs of different projects and should contribute to the later projects as well as the early ones. It was also important that it should make a positive contribution rather than creating impractical aspirations.

It was noted that Constructing Excellence was already well-placed to promote best practice and had already had some discussions with developers. Initial discussion suggested that Constructing Excellence had indicated that there would be scope to work with the NIA.

It was agreed to explore further work with all developers. It was suggested that EDF might be asked to lead work in this area and it was agreed to explore this further with EDF in the light of existing activities in relation to Hinkley Point C.

Supply Chain Quality and Readiness

There was widespread support for an industry-led initiative to address quality and equipment qualification and the Board had agreed to set up a working group to look at these issues. The objectives would include

- To develop options to raise quality in the equipment supply chain, inter alia through common accreditation and audit of suppliers and
- to assess capacity for equipment qualification and options for addressing any shortages in capacity

This could potentially be developed into a broader initiative, led by contractors, to develop supply chain readiness for the new build programme. One of the initial drivers for the creation of the PMB, at least on the industry side, was to explore what more the contractor community could do collectively to support effective delivery.

Rolls-Royce had agreed to take the lead on a quality working group and also, if there was interest from the Board, in a wider initiative on supply chain readiness.

It was emphasised that any such initiative should make a positive contribution to raising the aspiration and capability of the supply chain and should not seek to interfere with

procurement decisions by client organisations. It was also emphasised that the work on quality should not be given lower priority, especially regarding common accreditation.

It was suggested that the proposed initiative on supply chain readiness should be discussed initially with other contractors to develop a common approach and that the Board should invite a more detailed discussion at its next meeting.

Government Action Plan on Supply Chain and Skills

Hergen Haye outlined the government's proposed Action Plan on Supply Chain and Skills (presentation attached) which was being led by DECC but represented work across government departments to secure delivery of new build and existing nuclear plans and to maximise economic opportunities for the UK.

The Board was invited to play a lead role in the development of the plan, in particular as critical friend and in developing industry ownership of the plan.

It was emphasised that there were roles for both government and developers in raising awareness in the supply chain, building capability and raising competitiveness in the supply chain. The government's action plan should therefore build on existing activity.

It was emphasised that the Board and industry more generally would only take ownership of the plan if they genuinely bought into it and this was a key part of the government's approach. The plan should also seek to understand the aspirations of the supply chain and to build upon them.

It was agreed to continue the NIA's detailed engagement with DECC and BIS in developing the plan and to consider a further report at the next meeting.

Ministerial Membership of the Board.

It was agreed that, in view of the high priority in government to support successful delivery of the new build programme, Charles Hendry should be invited to be a standing member of the Board.

Future Meetings

It was agreed to meet in September and December and to seek dates for meetings in advance.

NIA

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