

Minutes of the second meeting of the Programme Management Board, 6th March 2012 held at NIA offices, 22a St James's Square, London SW1.

Present:

Lord Hutton of Furness (Chairman)	NIA
NAME REDACTED	EdF Energy
NAME REDACTED	AREVA
NAME REDACTED	Westinghouse
NAME REDACTED	ONR
NAME REDACTED (Secretary)	NIA
NAME REDACTED	Former Construction Director, Olympic Delivery Authority

Observers:

NAME REDACTED	OND
NAME REDACTED	NIA
NAME REDACTED	NIA
NAME REDACTED	NIA

Apologies:

NAME REDACTED	Horizon
NAME REDACTED	NDA
NAME REDACTED	NDA
Tim Stone	OND
Hergen Haye	OND

Introduction

The Chairman said that, since the first meeting there had been follow up discussions both with Board members and with outside organisations and there was widespread support for the Programme Management Board to proceed.

ODA Experience

The Chairman welcomed NAME REDACTED, former Construction Director of the Olympic Delivery Authority.

NAME REDACTED said that the ODA had identified the success factors, validated through external assessment by Imperial College, that had ensured that the programme was delivered on time and within budget. These lay principally in establishing the right organisational structures and effective supply chain relationships from the earliest days.

The ODA had recognised the importance of becoming a client of choice through a Construction Commitment setting out the key principles that would guide relationships with suppliers and with everyone working on the project. These included a strong partnership with trade unions and an ethos of direct employment which, whilst it could not be mandated, was promoted throughout the supply chain. This led not only to strong working relationships with unions, high levels of health and safety and of employee commitment, but also improved productivity, lower than projected labour requirements on site and a reduced budget. Detailed

assessments of productivity showed that output per person on the ODA programme was higher than on other major projects.

Early investment in virtual design and effective design gateways meant that design problems were resolved before projects went on site, and a rigorous process for scrutiny of change management ensured that subsequent revisions were minimised.

In discussion, it was noted that the structure and market position of the ODA, with a single client, backed by a government department and with a large programme management capability, meant there were differences that needed to be understood in transferring the lessons to the nuclear new build market. Discussion highlighted the success factors in raising productivity and strong supply chain relationships, and creating a shared culture through learning, listening, and liaison with all stakeholders.

Work Programme

The Board considered the draft work programme previously circulated and in discussion it was agreed to focus on:

- Building up supply chain capability and capacity in terms of skills, efficiency and innovation
- Developing best practice especially in construction; it was noted that there is no single industry body with a focus on the nuclear new build sector
- Improving the delivery of skills and the diversity of existing skills organisations
- Common industry views to input into bodies such as NAMRC and NSAN

It was noted that DECC were keen to work with the Board and with industry more generally to inform the road map on supply chain and skills that was planned for publication in the summer. This would take into account the work of the NIA Capability Review and the update of the Cogent manpower model. It was agreed to work closely with DECC and BIS on these issues.

It was agreed to develop the proposals in the draft programme further and to circulate specific proposals for action and for the structure of the Board to support these objectives. It was noted that the NIA was willing to commit resources to this exercise as part of a strengthened focus on delivery of new build as part of the NIA strategy.

NIA

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