



Department for  
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Riaghaltas na h-Alba  
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# Nuclear Decommissioning Authority

## Framework Document 2021

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## 1. Introduction

1. 1. This Framework Document has been drawn up by the Department for Business, Energy and Industrial Strategy (BEIS) in consultation with the Nuclear Decommissioning Authority (NDA), UK Government Investments (UKGI) and the Scottish Government (SG).
1. 2. Copies of the document and any subsequent amendments will be published and placed in the Libraries of both Houses of Parliament. An electronic version is available from the NDA's website ([www.nda.gov.uk](http://www.nda.gov.uk)).
1. 3. Acronyms that are used throughout this document are listed in Section 13.
1. 4. This Framework Document does not convey any legal powers or responsibilities. It is not a legal or contractual document but sets out the overall framework within which the parties will work together on all levels and will be reviewed on a regular basis to ensure that it remains fit for purpose. In the event of conflict between this Framework Document and the Energy Act 2004 (the Act), the Act will prevail.
1. 5. BEIS, SG, UKGI and NDA recognise that the NDA group is currently undergoing a period of substantial change and reflection and agree to work together over the next 12-18 months to review and update this Framework Document as appropriate. As a rule, this Framework Document should be reviewed no less often than once every three years.
1. 6. As at the date of this Framework Document, it covers those organisations set out in Annex A below. However, for the avoidance of doubt, it is intended to capture all NDA subsidiary companies which are wholly owned by the NDA and/or another subsidiary company of the NDA which are in existence from time to time. As at the date of this Framework Document, Dounreay Sites Restoration Ltd and Low Level Waste Repository Ltd are managed by NDA through contracts, but an NDA decision has been taken that they become subsidiary companies of NDA and consequently be brought into the NDA group. This Framework Document anticipates those changes.
1. 7. This Framework Document is subject to, and complements:
  - a) All legal and regulatory requirements applicable to the NDA and its subsidiary companies, including but not limited to the [Energy Act 2004](#) (the Act) and any directions made under the Act;
  - b) NDA Delegations (as set out in a separate Delegation Letter from BEIS, reviewed yearly and updated as deemed necessary) and NDA Accounting Officer (AO) and annual Chair letters from BEIS to the NDA;
  - c) [Managing Public Money \(MPM\)](#) and other relevant Treasury guidance, as may be amended from time to time; and
  - d) Other instructions issued to government departments by the Cabinet Office and/or Treasury.
1. 8. The NDA and its subsidiary companies have their own internal governance arrangements which will not conflict with this Framework Document, the Act and other relevant policies and guidance to the extent they are applicable. Where subsidiary guidance is found to conflict, the Framework Document will be presumed to prevail unless explicitly stated otherwise.

## 2. Purpose of the Nuclear Decommissioning Authority

### Structure and function

2. 1. The NDA is an executive non-departmental public body (NDPB) sponsored by BEIS and established under the Act. The Act sets out the NDA's statutory duties, functions, and powers.
2. 2. The NDA is both directly and indirectly engaged in commercial activity within the remit of its duties, functions and powers as set out in the Act. The NDA delivers its mission through both its subsidiary companies and through contracts.
2. 3. The NDA is responsible for accounting to BEIS for the activities of the NDA and the NDA subsidiary companies, including through contracts. The NDA is also responsible to Scottish Ministers for some aspects of their work in Scotland as outlined at sections 4.2 and 4.3.

### Statutory duties and strategic aims

2. 4. The NDA's mission is, "to clean up the UK's earliest nuclear sites safely, securely and cost-effectively with care for people and the environment".
2. 5. The Secretary of State for the Department for Environment, Food and Rural Affairs (DEFRA), gave the NDA responsibility for securing geological disposal for higher activity waste in October 2006. The NDA, as one organisation, has a strategic view through all stages of the waste management chain. The NDA will work with the Scottish Government to implement its policy for the long-term management of higher activity waste in near-surface facilities, as is Scottish Government policy.
2. 6. The NDA has additional responsibility for:
  - a) Developing nuclear Low Level Waste (LLW) strategies and plans in support of the policies of the UK and Scottish Governments;
  - b) Providing assurance to the Secretary of State subject to the terms of the Nuclear Liabilities Funding Agreement, that the proposals of EDF Energy in relation to those items where the costs are borne by the Nuclear Liabilities Fund are those that would be made by a reasonable prudent operator; and
  - c) Providing advice to the Secretary of State as and when requested, including for example, in relation to the decommissioning plans of operators of nuclear new build.
2. 7. The NDA's current strategy for achieving these responsibilities is published periodically in accordance with the Act and is available at <https://www.gov.uk/government/publications/nuclear-decommissioning-authority-strategy-effective-from-march-2021>

## 3. Governance and Accountability

### The NDA and its group companies

3. 1. The AO is responsible for the NDA and its subsidiary and group companies. The AO cannot transfer their responsibilities to any other party, however they may delegate the delivery of those responsibilities to others in order to support the AO.
3. 2. The AO is responsible for: -

- a) safeguarding the public funds for which they have charge;
- b) ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and
- c) the day-to-day operations and management of the NDA and its group; and
- d) ensuring that the NDA group is run on the basis of the standards of governance, decision-making and financial management that are set out in MPM.

3. 3. The CEO's of each of the NDA subsidiary and group companies are accountable to the AO for the delegations they receive from the AO, to ensure that the principles of MPM are complied with in the running of the relevant subsidiary company, to comply as the dutyholder with their site licences and other regulatory duties (where applicable) and to ensure that there are adequate controls and co-operation across the group to enable the AO to discharge their governance responsibilities effectively.

### Partnership principles

3. 4. BEIS, UKGI, the Scottish Government, the NDA and its subsidiary companies agree to maintain an open, honest and trust-based partnership supported by the principles set out in the 'Partnerships between Departments and their ALBs: Code of Good Practice'<sup>1</sup>. This partnership is based on clear accountability; mutual understanding of strategic aims and objectives; and recognition of the unique issues faced by each organisation as well as the capabilities each organisation brings, so as to add greater collective value and understanding.

3. 5. As such, all parties commit to:

- a) Sharing accurate and relevant performance, finance, assurance, legal and risk information on a timely basis where needed and required in order to enable effective policy sponsorship and shareholder functions;
- b) Working together with clearly designated roles between organisations, without unnecessary duplication of meetings, document reviews or effort;
- c) Maintaining a focus on what is needed to deliver the NDA mission, Strategy and outcomes;
- d) Supporting and challenging each other on developing policy and practice;
- e) Maintaining open and honest communication and dialogue, in particular when addressing emerging issues, disputes or risks;
- f) Ensuring proportionate oversight at Government level and within the NDA and its subsidiary companies, tailored to reflect different levels of risk and the need to effectively manage and balance risks in the NDA and the NDA group's activities;
- g) Working together where there are opportunities for BEIS or other ministerial involvement in announcements about the work of the NDA group and its supply chain. This will include providing BEIS (and, where appropriate, the Scottish Government) with

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<sup>1</sup> Partnerships between departments and Arm's Length bodies: Code of Practice', published on GOV.UK, February 2017. The four principles are purpose (partnerships work well when the purpose, objectives and roles are mutually understood), assurance (partnerships work well when departments adopt a proportionate approach to assurance and share a mutual understanding of risk), value (partnerships work well when departments and arm's length bodies share skills and experience to enhance their impact and deliver more effectively), engagement (partnerships work well when relationships are open, honest, constructive and based on trust).

notice of announcements concerning funding commitments and public appointments to facilitate government's engagement in the same;

- h) Working together to collaboratively understand and resolve issues and mutually respond to requests for information sharing; and
- i) Acting at all times with integrity, honesty, objectivity and impartiality.

3. 6. Any disputes between any of the parties will be resolved following processes closely aligned to BEIS's dispute resolution policy<sup>2</sup>.

3. 7. In particular, the NDA will make sure that BEIS is made aware (in advance wherever reasonably possible) and Scottish Ministers for issues within devolved competence and/or impacting Scotland, of any significant developments or announcements which are likely to have a significant negative impact on NDA or the NDA group reputation or generate material stakeholder interest, for example (but not limited to) consultation with the workforce regarding significant changes to employment, remuneration or terms and conditions; significant socio-economic awards; or developments of novel, material and/or unmitigated risk or hazard within the NDA group (including through its contractors).

### **BEIS sponsorship role in relation to the NDA**

3. 8. BEIS holds primary responsibility for the NDA's sponsorship (see [below](#) for the similar section in relation to the Scottish Government), and has responsibility for, *inter alia*:

- a) Government policy in relation to civil nuclear, including decommissioning; radioactive waste management; advanced nuclear technologies; new build; nuclear sector deal implementation; and wider nuclear related Industrial Strategy;
- b) Nuclear safety and security, non-proliferation, emergency planning, and international and European civil nuclear cooperation frameworks; and
- c) Supporting bilateral and multilateral international relations and obligations related to UK civil nuclear exports.

3. 9. These responsibilities include developing any relevant changes in UK legislation, as and when required, to support NDA-specific policy priorities.

3. 10. The role of BEIS will involve:

- a) Coordinating overall policy and informing the NDA of relevant HMG policy and guidance in a timely manner;
- b) Representing the NDA group within government;
- c) Engaging closely with the NDA on wider policy developments and cross-government priorities impacting on, or affected by, the work of the NDA group. This will include any assessment of the affordability and value-for-money of any nuclear policy initiative insofar as these may impact the NDA group;

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<sup>2</sup> An issue of dispute will be reviewed by BEIS and the NDA (at working level) and all attempts made to resolve it. If a resolution is not possible, the issue will be escalated for review within each organisation, with the Principal Accounting Officer (PAO) briefed on evolving developments, and with the option to directly engage with the CEO/Chair. If there is still no resolution, the PAO will appoint a neutral third party to review the dispute and act as mediator, and if necessary, seek views from experts. Any findings and recommendations will be referred to the PAO for approval. If there is still no resolution, the Minister will be invited to write to the Chair of the NDA clarifying the policy priorities. Audit trails on decision-making will be kept and maintained for transparency.

- d) Developing and maintaining strong relationships with NDA senior management;
- e) Maintaining the control framework and NDA Delegations, including issuing an annual AO delegation letter (in conjunction with BEIS finance);
- f) Monitoring NDA group industrial relations;
- g) Managing requests for PAO and/or Ministerial approval of relevant NDA/NDA group projects and programmes, strategic procurements and commercial transactions (together referred to below as 'Business Cases'), that are outside NDA Delegations, including:
  - Identifying with the NDA which Business Cases require approval by BEIS and/or any other HMG bodies;
  - Advising the NDA on the standards for Business Cases required by HMG;
  - Reviewing and providing feedback to the NDA as it develops its Business Cases;
  - Guiding the NDA on the submission and progression of Business Cases through BEIS and other HMG approval processes;
  - Providing related advice to the PAO and BEIS ministers; and
  - Managing SoS and/or Treasury consideration of NDA and NDA group Business Cases expeditiously and without undue delay.
- h) Managing requests for PAO and/or Ministerial consideration, including changes to the NDA's strategy in accordance with the Act;
- i) Advising the SoS and Ministers on matters which require SoS approval or use of powers;
- j) Liaising with Devolved Administrations as necessary;
- k) Leading any spending review process by coordinating the NDA's input and setting appropriate annual budgets for the NDA (with BEIS Finance, and with UKGI input) consistent with spending review settlements;
- l) Leading on all parliamentary business, including acting as intermediary between the NDA and Ministers on Parliamentary Questions or debates and supporting the PAO and/or other BEIS senior officials, as well as providing support in the event of a National Audit Office study and/or Parliamentary Committee hearings;
- m) Leading on ministerial or senior officials' visits, briefings or ministerial meetings with the NDA and/or the NDA group;
- n) Liaising between the NDA and wider Government including Ministers on crisis management or emergency event escalation, significant reputational issues and stakeholder engagement which involves the NDA; and
- o) Ensuring the NDA is aware of, and has in place systems to appropriately comply with, relevant HMG controls.



## The Role of UK Government Investments

3. 11. UK Government Investments (UKGI), a company wholly owned by Treasury, provides the owner 'shareholder' function for the NDA on behalf of BEIS.
3. 12. In relation to all of its responsibilities, UKGI will:
- a) Provide advice as required to the SoS and to the PAO, in consultation with BEIS officials;
  - b) Support the effective development of positive relationships between BEIS and NDA;
  - d) Promote effective and productive interfaces and communications between UKGI, BEIS and NDA; and
  - e) Maintain a suitable and regular meeting "rhythm" with the NDA Chair, Board and senior management as required by the parties to support the appropriate flow of information between the NDA, UKGI and BEIS.
3. 13. UKGI's responsibilities are to:
- a) Support BEIS and the NDA to establish and maintain appropriate corporate governance documents and systems, which promote good governance, reflecting on the NDA's own view of how it operates within these;
  - b) Provide advice to the Principal Accounting Officer on an annual letter to the NDA Chair setting out government's priorities for the Chair's role;
  - c) Assess and challenge the NDA's Strategy and Annual Plan from an owner's perspective;
  - d) Monitor and challenge the NDA as to its performance against its corporate targets, and Annual Plan;
  - e) Support BEIS to develop and agree the annual budget and the overall approach to Spending Reviews;
  - f) Promote the effectiveness of NDA leadership through:
    - Promoting a high-quality and diverse board which has capability and effectiveness;
    - Building strong effective relationships with the NDA's board and senior management; and
    - Leading the government's day-to-day relationship with the NDA Board
    - Working with the Board and the CEO to monitor and challenge the NDA's executive capability in relation to the NDA executive's responsibilities; and
    - Engaging with and assessing both the NDA CEO and Board's activities in respect of the NDA's senior level succession planning.
  - g) Advise the PAO and SoS (and Scottish Government officials who are responsible for advising Scottish Ministers) on effective board composition, recruitment, remuneration and appointment processes for the NDA non-executive board members and on the SoS's approval of the NDA's appointment of a CEO;

- h) Advise the PAO on the annual appraisal of the NDA Chair, after taking account of views from the non-executive members of the NDA Board (as provided by the SID), UKGI and BEIS;
- i) Support effective relationships between the department and NDA; and
- j) Nominate for SoS approval, a senior official of UKGI to join the NDA Board as BEIS' non-executive Board member.

## **Devolved Administrations**

- 3. 14. Where, on devolved matters (which include waste and environmental management policy) the policy in Scotland or Wales may differ from that in England, the NDA group must act consistently with the policy in the jurisdiction in which it operates.
- 3. 15. The Environmental Quality and Circular Economy Division, within the Environment and Forestry Directorate of the Scottish Government will advise on all matters devolved to Scotland, including:
  - a) Advising the Scottish Ministers at a strategic level of the NDA's progress in achieving its objectives;
  - b) Communicating the views of the Scottish Ministers and/or Scottish Government policy to the NDA and offering advice on the same;
  - c) Issuing guidance from time to time to the NDA on specific Scottish matters; and
  - d) Collaborating to secure Scottish ministerial approval where this is a requirement of the Act.
- 3. 16. The SoS will inform the Cabinet of the Welsh Government of any significant changes to the NDA's priorities and objectives, on those changes that are relevant to Wales.

## **Contact and engagement between BEIS, UKGI, the Scottish Government and the NDA**

- 3. 17. The NDA will assist BEIS, the Scottish Government and UKGI teams in fulfilling their respective functions by responding in a timely manner to all reasonable requests for papers and other relevant information. Parties will avoid unnecessary duplication of work, creation of additional/new documents or additional business reviews wherever reasonably possible and/or where existing documents already exist.
- 3. 18. The format for the provision of such information will be as agreed from time to time between BEIS, UKGI, the Scottish Government and the NDA, such that UKGI is able to properly monitor and report the NDA group's performance to government.
- 3. 19. In addition to routine, working-level contact between BEIS, UKGI and the NDA, the parties acknowledge the importance of working together and continuous positive communication. As a result, the parties commit to attending, as a minimum, the following meetings:
  - a) The SoS, and separately Scottish Ministers, will meet the NDA Chair and CEO together at least once each year to discuss the NDA's Strategy, priorities, performance, its current and future activities, and any policy developments relevant to those activities;
  - b) The PAO will meet the NDA Chair and non-executive board members at least once a

year;

- c) The PAO, the UKGI Shareholder Director, the BEIS sponsor director, and the NDA CEO and/or the Chair will meet every quarter; and
- d) BEIS, UKGI and NDA will meet for monthly performance (including individual project performance as reasonably required) monitoring meetings.

3. 20. The NDA CEO will meet (individually or together) the UKGI Shareholder Director and the BEIS sponsor director as frequently as may be required and as agreed between the parties;

3. 21. Quarterly policy meetings will be held, led by BEIS and attended by UKGI, the Scottish Government (who will have the opportunity to attend should they wish), the NDA CEO, NDA Chief Financial Officer (CFO) and such other members of the NDA group as appropriate;

3. 22. Quarterly governance meetings will be held, led by UKGI and attended by BEIS, the Scottish Government (as appropriate), the NDA CEO, CFO and such other members of the NDA's executive team as appropriate; and

3. 23. UKGI, the NDA, BEIS, other HMG departments, and the Scottish Government as appropriate will also meet regularly and ad-hoc for the purposes of facilitating their respective roles efficiently and effectively and as agreed from time to time between the parties. Parties will avoid overlap and/or duplication wherever reasonably practicable.

## **4. Ministerial and senior official accountability for the NDA group**

### **BEIS Ministerial accountability and overarching responsibilities**

4. 1. The SoS is accountable to Parliament for the activities and performance of the NDA and the NDA subsidiary companies, as set out by the Energy Act 2004 (the Act), Chapter 1. Responsibilities in this regard include:

- a) Setting HMG's policy on nuclear decommissioning and nuclear waste management and disposal (to which the NDA must have regard, by virtue of the Act, section 9);
- b) Agreeing the framework within which the NDA and its group will operate, through the approval by the SoS and laying before Parliament, in accordance with the Act, of the NDA's Strategy and Annual Plan (the Act, Schedule 2 and section 13);
- c) Appointing the NDA Chair and other non-executive members of the NDA Board (the Act, section 2(2)) and approving the appointment of the NDA CEO by the non-executive members (the Act, section 2(4)), after consultation with Scottish Ministers for each appointment, subject to the Office for the Commissioner for Public Appointments (OCPA) requirements where applicable;
- d) Setting the pay for the Chair and other non-executive members (the Act, Schedule 1, paragraph 2);
- e) Issuing and revoking designation directions and making Nuclear Transfer Schemes in accordance with the Act (the Act, sections 3, 15-16 and 38-45 inclusive);
- f) Determining the terms on which the NDA will have access to Grant-in-Aid for the purposes of discharging its duties and responsibilities (the Act, section 22);
- g) Maintenance of appropriate funding mechanisms (the Act, section 31);

- h) Providing information to Parliament about the NDA group as required by the Act,
- i) Issuing Accounts Directions setting out the times by which NDA must have complied with its obligations in relation to its annual accounts (the Act, section 26 paragraph 9); and
- j) Laying the NDA's Annual Report and Accounts before Parliament (the Act, sections 14 and 26).

## **Scottish Government Ministerial accountability**

4. 2. Scottish Ministers are accountable to the Scottish Parliament for the activities and performance of the NDA group in respect of which Scottish Ministers have statutory duties and responsibilities under the Act. Responsibilities include:

- a) In conjunction with the Secretary of State, approving the NDA's Strategy and Annual Plan, to the extent that the Strategy or Annual Plan covers the NDA group's responsibilities relating to Scotland;
- b) Jointly with the SoS, issuing Directions and Designations relating to Scotland;
- c) Providing information to the Scottish Parliament about the NDA group and laying a copy of the NDA's Strategy and Annual Plan before the Scottish Parliament as provided by the Act;
- d) Laying the NDA's Annual Report and Accounts before the Scottish Parliament; and
- e) Being consulted by the Secretary of State on:
  - i. the appointment by the SoS of the Chair and non-executive members of the NDA Board; and
  - ii. the Secretary of State's approval of the appointment of the Chief Executive.

4. 3. The Scottish Ministers are not responsible for:

- a) Setting the pay and incentive structure for the NDA Chair and other non-executive Board members;
- b) Determining the terms on which the NDA will have access to Grant-in-Aid for the purposes of discharging its duties and responsibilities;
- c) Maintenance of appropriate funding mechanisms; and
- d) Seeking approval for expenditure.

## **Accountabilities and responsibilities of the Principal Accounting Officer (PAO)**

4. 4. The PAO for BEIS (the Permanent Secretary), designates the AO. This is usually the NDA CEO. The respective responsibilities of the PAO and AO are set out in MPM and are sent separately to the AO on appointment.

4. 5. The PAO is accountable to Parliament for the issue of any Grant-in-Aid to the NDA group. The PAO is responsible for advising the responsible Minister on:

- a) An appropriate framework of objectives and targets for the NDA group in the light of the Department's wider strategic aims and priorities;
- b) An appropriate budget for the NDA group in the light of the Department's overall public expenditure priorities and the agreed spending review settlement for the NDA; and
- c) How effectively the NDA group is achieving its strategic objectives and whether it is delivering value for money.

4. 6. The PAO is responsible for ensuring arrangements are in place in order to:

- a) Monitor the NDA group's activities;
- b) Address significant problems in the NDA group, making such interventions as are judged reasonably necessary;
- c) Be aware of, and respond to, risks to both BEIS and the NDA group's objectives and activities;
- d) Inform the NDA of relevant government policy in a timely manner; and
- e) Bring concerns about the activities of the NDA group to the full NDA Board, and, as appropriate, the BEIS departmental Board, requiring explanations and assurances that appropriate action has been taken.

4. 7. The NDA sponsorship team in BEIS is the main source of advice to the responsible minister on the discharge of their responsibilities in respect of the NDA. They also support the PAO on their responsibilities toward the NDA.

### **PAO responsibilities to the NDA Accounting Officer**

4. 8. The PAO and supporting officials in BEIS and UKGI (based on their roles and responsibilities) will support the NDA's AO in discharging their delegated accounting officer responsibilities.

### **PAO modes of intervention**

4. 9. The PAO is responsible for ensuring that the AO fulfils their delegated accounting officer responsibilities. The PAO will use appropriate mechanisms to exercise this control. The PAO may:

- a) Amend or withdraw the NDA Delegations (as agreed with HM Treasury as necessary);
- b) Place a requirement on the NDA to report financial or other data and provide assurance on appropriate use of funds more regularly;
- c) Contribute to the annual performance appraisal of the NDA CEO;
- d) In extreme cases, advise the SoS on the exercise of their right to remove non-executive board members (whether actively, or by not renewing appointments); and
- e) In extreme cases, withdraw the delegated accounting officer responsibilities from the AO.

## 5. The NDA's Accounting Officer (AO) Responsibilities

5. 1. The overall responsibilities of the AO in relation to the NDA and its subsidiary companies are set out in Paragraph 3.1 and 3.2 above.
5. 2. The AO may delegate the day-to-day administration of the accounting officer responsibilities to other members or employees of the NDA group. However, they shall not assign those responsibilities absolutely to any other person.
5. 3. The AO will, with the approval of the Board, record, document and maintain a comprehensive system of internal delegated authorities which are notified to all relevant staff within the NDA and the NDA group, together with a system for regularly reviewing compliance with those NDA Delegations.

### Responsibilities to Parliament

5. 4. The AO's responsibilities to Parliament include:
  - a) Signing the NDA accounts and ensuring that proper records are kept relating to the NDA accounts. Accounts should be properly prepared and presented in accordance with any directions issued by the SoS;
  - b) Preparing and signing an annual governance statement for inclusion in the NDA's Annual Report and Accounts;
  - c) Ensuring that effective procedures for handling complaints are established and made widely known within the NDA and the NDA group, and externally;
  - d) Acting in accordance with the terms of this Framework Document, MPM and other instructions and guidance issued from time to time by BEIS, Treasury and the Cabinet Office, including ensuring that as part of the above compliance the NDA is familiar with and acts in accordance with:
    - i. any governing legislation applicable to the role and duties of an accounting officer;
    - ii. this framework document;
    - iii. any delegation letter issued to the NDA as set out in paragraph 1.7(b);
    - iv. any elements of any settlement letter issued to BEIS that is relevant to the operation of the NDA; and
    - v. any separate settlement letter that is issued to the NDA by BEIS.

The NDA must have appropriate internal mechanisms for the monitoring, governance and external reporting of any non-compliance with i. to v. above.

  - e) Giving evidence, normally with the PAO, when summoned before the Public Accounts Committee (PAC) on the NDA and the NDA group's use and stewardship of public funds;
  - f) Ensuring that all public funding made available to the NDA and the NDA group and any approved income or other receipts are used for the purpose intended by Parliament, and that such monies, together with assets, equipment and staff, are used economically, efficiently and effectively; and

- g) Ensuring that adequate internal management and financial controls are maintained in the NDA group, including effective measures against fraud and theft.

## Responsibilities to the PAO

- 5. 5. The AO will ensure that the PAO is assured on the discharge of their delegated accounting officer responsibilities, by providing a value-for-money assessment and assurance statement, approved by the NDA Board, ahead of decisions which require BEIS or other HMG approval.
- 5. 6. The AO must bring to the attention of the PAO and minister(s) to whom they are responsible, any conflict between the minister's or NDA Board's instructions and their duties. The AO must not simply accept the minister's or NDA Board's aims or policy without examination.
- 5. 7. The AO should draw any issues in relation to significant policy proposals or plans to start or vary major projects to the attention of the PAO and responsible minister to see whether they can be resolved.
- 5. 8. If the responsible minister decides to continue with a course the AO has advised against, the AO should ask for a formal written direction to proceed. An oral direction should be confirmed in writing as soon as possible.
- 5. 9. The AO will promptly notify the PAO if the situation envisaged in paragraph 3.8.5 of MPM<sup>3</sup> may arise, and/or if the NDA Board, or its Chair, is contemplating a course of action involving a transaction which the AO considers:
  - a) Would infringe the requirements of propriety or regularity; or
  - b) Does not represent prudent or economical administration, efficiency or effectiveness; or
  - c) Is of questionable feasibility; or
  - d) Is unethical.

## Responsibilities to BEIS

- 5. 10. The AO has particular responsibilities to BEIS which include:
  - a) Ensuring that timely forecasts and monitoring information on performance and finance are provided to UKGI and BEIS. This includes BEIS being notified promptly if over or under spends are likely and any corrective action that is being taken, and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to UKGI and BEIS in a timely fashion; and
  - b) Informing BEIS of progress in helping to achieve HMG objectives and in demonstrating how resources are being used to achieve those objectives.

## Responsibilities in relation to the NDA and its Board

- 5. 11. The NDA AO is responsible for:
  - a) Advising the NDA Board on the discharge of the NDA's responsibilities as set out in the

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<sup>3</sup> <https://www.gov.uk/government/publications/managing-public-money>

This paragraph numbering is applicable to the 2019 edition available at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/835558/Managing\\_Public\\_Money\\_MPM\\_with\\_annexes\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/835558/Managing_Public_Money_MPM_with_annexes_2019.pdf)

Act, this Framework Document and in any other relevant instructions and guidance that may be issued from time to time;

- b) Reporting to the NDA Board on the NDA and the NDA group's performance against their aims and objectives; and
- c) With the assistance of the NDA Chair, ensuring that value for money and financial considerations are taken fully into account by the NDA Board at all stages in reaching and executing its decisions, and that decisions are taken on the basis of appropriate financial appraisal techniques.

## Managing conflicts

- 5.12. For the avoidance of doubt, the NDA's Board has fiduciary duties.<sup>1</sup> The NDA AO should follow the advice and direction of the NDA Board, except in very exceptional circumstances where there is a clear cut and transparent rationale for not doing so.
- 5.13. The NDA AO must take care that his or her personal legal responsibilities do not conflict with his or her duties as a Board member. In particular, the NDA AO should vote against any proposal which appears to cause such a conflict; it is not sufficient to abstain.
- 5.14. If the Chair or Board of the NDA is minded to instruct its AO to carry out a course of action inconsistent with their duties as AO, then the AO should make their reservations clear, preferably in writing. If the Board is still minded to proceed, the NDA's AO should then:
  - ask the accounting officer of BEIS to consider intervening to resolve the difference of view, preferably in writing;
  - if the Board's decision stands, seek BEIS written direction to carry it out, asking BEIS to inform HM Treasury;
  - proceed to implement without delay; and
  - follow the routine in paragraph 3.4.5 of MPM.

## The NDA AO's role in ombudsman cases

- 5. 12. The NDA AO is the Principal Officer for handling cases involving the Parliamentary Commissioner for Administration (Ombudsman). As Principal Officer they shall inform the Permanent Secretary of BEIS of any complaints about the NDA accepted by the Ombudsman for investigation, and about the NDA's proposed response to any subsequent recommendations from the Ombudsman. Similarly, as regards Scotland they shall inform the Scottish Ministers about complaints relating to Scottish matters and inform the Scottish Government of the NDA's proposed response and of any recommendation made by the Parliamentary Commissioner.

## 6. The NDA Board

- 6. 1. The NDA Board is comprised of executive members and non-executive members (including the Chair), with the latter forming a majority. Executive and voting board members must comprise the Chief Executive and an additional appropriately qualified finance director (as described in Annex 4.1 of MPM) as a minimum. The numbers of NDA Board members and numbers of NDA subsidiary company board members may evolve and change over time in accordance with the requirements of the NDA group businesses at any given time.



6. 2. The CEO is responsible for the day-to-day operations and management of the NDA and the performance of the executive management team. They are accountable to the Board. They may adapt the organisational and management structure of the NDA to meet its business needs, subject to their agreed delegated powers
6. 3. The NDA Board should ensure that effective arrangements are in place to provide assurance on the NDA and NDA group's major projects, programmes and procurements, risk management, governance, health, environment, safety and security, finance and internal controls, alongside ensuring the effective performance of the NDA group generally.
6. 4. The NDA Board is accountable to the SoS, and the Scottish Ministers in relation to devolved matters, for all aspects of the NDA's activities and performance including responsibility for:
- a) Proposing the NDA's Strategy and Annual Plan in light of the NDA's statutory duties for approval by the SoS;
  - b) Establishing and taking forward the strategic aims and objectives of the NDA consistent with its overall strategic direction and within the policy framework and resources determined by the SoS;
  - c) Ensuring that the SoS is kept informed of any significant changes which are likely to impact on the strategic direction of the NDA or on the attainability of its targets, and determining the steps needed to deal with such changes;
  - d) Ensuring that any statutory or administrative requirements for the use of public funds are complied with. This means that the NDA Board operates within the limits of its statutory authority and any delegated authority agreed with BEIS, and in accordance with any other conditions relating to the use of public funds and that, in reaching decisions, the NDA Board takes into account guidance issued by HMG as notified to it by BEIS;
  - e) Reviewing regular financial and other information concerning the management of the NDA and NDA group, ensuring it is informed in a timely manner about any concerns about the activities of the NDA and NDA group, and provides positive assurance to BEIS that appropriate action has been taken on such concerns;
  - f) Demonstrating high standards of corporate governance at all times including the use of an Audit, Risk and Assurance Committee (ARAC) to help address key financial and other risks;
  - g) Reviewing the experience, skills and competency of the NDA executive team;
  - h) Undertaking reviews of the succession plans for both non-executive and executive members of NDA Board and wider NDA group executive teams; and
  - i) Providing appropriate levels of support and challenge to the NDA executive team, ensuring they are focused and incentivised to deliver against the NDA objectives and aims.
6. 5. Under the Act, the NDA CEO is appointed by the non-executive NDA Board members following approval by the SoS in consultation with the Scottish Ministers. The NDA Board will, in consultation with BEIS, set performance objectives and remuneration terms linked to the objectives for the NDA CEO which give due weight to the proper management and use and utilisation of public resources.

6. 6. As required by and in accordance with the Act, the NDA Board will establish an ARAC and a Remuneration Committee (RemCo). Both Committees shall be chaired by an NDA Board non-executive member. The RemCo shall take into account general guidance from BEIS, Treasury and the Cabinet Office in relation to staff remuneration. The terms of reference for the ARAC and RemCo can be found on the NDA website at [www.gov.uk/nda](http://www.gov.uk/nda)

### The NDA Chair's responsibilities

6. 7. The NDA Chair is accountable to the SoS and to the Scottish Ministers where appropriate, for the NDA's activities and performance in implementing the NDA Strategy and Annual Plan. Communication between the NDA Board and the SoS will usually be through the Chair.
6. 8. Whilst the Chair is formally responsible to the SoS, they are expected to liaise with BEIS and UKGI on any matter in which the SoS is likely to have an interest.
6. 9. In addition, the Chair has the following leadership responsibilities:
- a) Formulating the Board's strategy for discharging the NDA's statutory functions and duties, and ensuring that in reaching decisions, the Board complies with the Act;
  - b) Ensuring the Board, in reaching decisions, takes proper account of relevant HMG policy, guidance, and instructions including that of the Devolved Administrations;
  - c) Reviewing the balance of skills and experience on the NDA Board in consultation with UKGI and, as necessary, recommending changes to the SoS who will consult the Scottish Ministers;
  - d) Promoting the efficient and effective use of staff and other resources;
  - e) Ensuring that the NDA and NDA group's affairs are conducted openly, transparently and with probity;
  - f) Delivering high standards of regularity and propriety; and
  - g) Representing the NDA to the general public and stakeholders.
6. 10. The Chair's responsibilities are set out in their agreed terms of appointment and in the annual Chair's letter issued by the PAO. The Chair is obliged to ensure that:
- a) The NDA Board and its members are functioning effectively as a strategic decision-making body and that the performance of the board is evaluated regularly;
  - b) NDA Board members are fully briefed on their terms of appointment, duties, rights and responsibilities as part of a comprehensive induction to the NDA, its activities and its processes;
  - c) All NDA Board members receive appropriate training in financial management and reporting requirements, and on any differences that may exist between public and private sector practice (including AO obligations); and
  - d) There is a code of practice for NDA Board members in place, consistent with the Act and the Cabinet Office Code of Conduct for Board Members of Public Bodies.

## Individual Board Member responsibilities

6. 11. NDA Board members' responsibilities specific to the requirements of the NDA are set out in their agreed terms and conditions of public appointment. Individual NDA Board members should:
- a) Comply at all times with the 'Code of Conduct for Board Members of Public Bodies' and with the rules relating to the use of public funds and to conflicts of interest;
  - b) Ensure they are familiar with any applicable guidance on the role of Public Sector non-executive directors and Boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government;
  - c) Not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
  - d) Comply with the NDA Board's rules on the acceptance of gifts and hospitality, and of business appointments, and
  - e) Act in good faith and in the best interests of the NDA.
6. 12. Board members may nominate one of the individual NDA Board members to serve as a 'Senior non-executive Board Member' (SID) on the NDA Board.

## Review of the Board and its Committees

6. 13. The NDA Board, its committees, the NDA Chair and individual directors should be evaluated internally on an annual basis, and there should be independent (external) review at least once every three years.

## Public Appointments to the NDA Board

6. 14. The Act (Sections 2(2) and 2(3)) together with the Public Appointments Order in Council<sup>4</sup> specifies which appointments to the NDA Board are public appointments made by the SoS after consultation with Scottish Ministers. For all public appointments, the 'Governance Code on Public Appointments'<sup>5</sup> must be adhered to.
6. 15. UKGI, with input from the NDA Chair, will advise the PAO and SoS (and Scottish Government officials who will advise Scottish Ministers) on all public appointments to the NDA board and will manage the process of making such appointments in accordance with the Governance Code on Public Appointments and the Act. This includes advice on role specifications, remuneration, and the composition of recruitment panels.
6. 16. The BEIS Senior Remuneration Oversight Committee (SROC) must approve all proposed remuneration for public appointments, and for the NDA CEO, where these are over thresholds set out in current Treasury guidance before advice is put to Ministers.

## Performance Appraisals

6. 17. Performance appraisals of NDA Board members and the NDA's executive team will be carried

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<sup>4</sup> <http://qna.files.parliament.uk/ws-attachments/1121277/original/2019-04-10%20Final%20inC%202019.pdf>

<sup>5</sup> Governance Code for Public Appointments published on GOV.UK, December 2016 by the Minister for the Cabinet Office in line with the Public Appointments Order in Council 2016 and regulated by the Commissioner for Public Appointments.

out annually as follows:

- a) The PAO is responsible for the performance appraisal of the NDA Chair after taking account of views from the non-executive members of the NDA Board (as provided by the SID), UKGI and BEIS;
- b) The NDA SID is responsible for gathering NDA Board feedback on the performance of the NDA Chair and will share this with UKGI as an input into the Chair's appraisal;
- c) The NDA Chair is responsible for annual performance appraisals of the non-executive NDA Board members;
- d) The NDA Chair is responsible for the performance appraisal of the CEO, after taking account of views from the non-executive members of the NDA Board, UKGI and BEIS; and
- e) The NDA CEO is responsible for the performance appraisals of the NDA's executive team (whether members of NDA Board or otherwise), after taking into account views from the non-executive members of the NDA Board.

6. 18. The NDA's performance management and internal appraisal processes for NDA Board members and the NDA executive team, should align with BEIS guidance for the appraisals of independent and executive leaders of partner organisations, and any significant variances discussed with the BEIS sponsor team and agreed in writing between BEIS and the NDA.

6. 19. There is no automatic presumption of reappointment for public appointees. Ministers will make decisions based on merit, in accordance with the *Governance Code on Public Appointments*<sup>6</sup> and will not agree a reappointment or extension of terms in office without written evidence of satisfactory performance appraisal.

## 7. Planning, budgeting and reporting cycles

### Strategy and Annual Plan

7. 1. The Act requires the NDA to prepare a five-year Strategy for carrying out its functions and to prepare, in respect of each financial year, an Annual Plan, and sets out procedures for consultation on these plans. The Strategy and Annual Plan must be approved by the SoS and, to the extent they relate to NDA functions to be carried out in Scotland, Scottish Ministers.

7. 2. The draft Annual Plan must be submitted to the BEIS sponsorship team and UKGI in sufficient time to allow for policy discussions, challenge and review, prior to final approval by the SoS and Scottish Ministers.

7. 3. The NDA's Annual Plan will not involve expenditure which would result in any need to request Grant in Aid from the SoS that would result in the Nuclear Decommissioning Funding Account (NDFA) having a balance below that determined by the SoS for the purposes of section 31(7)(b) of the Act. It will take into account forecast receipts and will include a budget of estimated payments and receipts together with a profile of expected expenditure, and drawdowns of any Departmental Expenditure Limit (DEL) allocation and/or any other income over the year. These elements will form part of the approved Annual Plan for the year in question.

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<sup>6</sup> <https://www.gov.uk/government/publications/governance-code-for-public-appointments>

## Budgeting

7. 4. The NDA will operate on a multi-year cycle for strategy, budgeting and delivery.
7. 5. Each year, the responsible BEIS Director will send to the NDA, on a timely basis and in writing, a formal statement (grant letter or delegation letter) of the annual budgetary provision allocated by BEIS, net grant funding provision and any specific condition applied to income and expenditure, alongside a statement of any planned change in policies affecting the NDA group. This will identify:
- a) DEL budget allocation split between Resource, Capital and Administration totals; gross and net;
  - b) Forecast commercial income that underpins NDA's gross expenditure plans;
  - c) The total cash Grant-in-Aid available to the NDA; and
  - d) Annually Managed Expenditure (AME).
7. 6. BEIS reserves the right, in exceptional circumstances, and on the basis that funding necessary to ensure safety and security is not affected, to vary the NDA's funding in the event of a general issue (for example an emergency budget in the event of an economic shock) or specific issue such as serious systemic contravention of an accounting officer duty, having consulted with the NDA where appropriate.
7. 7. Budget approvals will form part of the BEIS Supply Estimate and be subject to Parliamentary vote and control.

## Transfer of Funds within Budgets

7. 8. The NDA may apply to transfer budgets between the individual control totals by seeking agreement from BEIS and Treasury, such transfers being achieved through the established Supplementary Estimate process. Once approved by Parliament, BEIS will communicate the revised control totals to the NDA in writing.

## Reporting

7. 9. The NDA shall - and shall ensure that the NDA group shall - operate information management and accounting systems which enable it to review in a timely and effective manner its financial and non-financial performance against the budget, objectives, and targets set out in its Annual Plan, and to monitor and report on risks to successful delivery of those objectives. The NDA's performance in delivering Ministers' policies, including the achievement of key objectives, shall be reported to BEIS, UKGI, Treasury and the Scottish Government (as set out in Section 3 above).
7. 10. The NDA shall provide BEIS with information monthly that will enable the Department satisfactorily to monitor the NDA group's financial performance in line with the requirements of MPM against the NDA's Annual Plan. The NDA will also assist BEIS in responding to Cabinet Office or Treasury reasonable requests for information on areas of its performance and expenditure.
7. 11. The NDA shall inform BEIS, UKGI and the Scottish Government of changes in external conditions which make the achievement of objectives or targets more or less difficult, or which may require a change to the budget, or targets, and objectives set out in the Annual Plan.

## Annual Report

7. 12. In accordance with the Act, the NDA must prepare and send to the SoS and Scottish Ministers an Annual Report of its activities together with its audited accounts as soon as reasonably practicable after the end of each financial year. The NDA shall provide the Department its finalised (audited) accounts to the agreed timetable, in order for the accounts to be consolidated into BEIS group accounts.
7. 13. The Annual Report must cover the matters set out in section 14 of the Act and:
- a) Benchmarking performance against the requirements of the UK Corporate Governance Code<sup>7</sup> as it applies to the NDA;
  - b) Cover any corporate, subsidiary or joint ventures under its control;
  - c) Comply with Treasury's Government Financial Reporting Manual (FReM) and any specific directions issued by the SoS;
  - d) Outline the NDA group's main activities during the previous financial year, including an assessment of how its achievements compare against its strategic objectives and the NDA Strategy and Annual Plan for that period, and key elements of the activities and expenditure of the NDA group; and
  - e) Contain an assessment of the performance in relation to safety and environmental matters of persons other than the NDA who have control of designated sites, installations, and facilities.
7. 14. Information on performance against key financial targets is within the scope of the above audit and should be included in the notes to the accounts. The SoS and Scottish Ministers respectively must lay a copy of the Annual Report and accounts must be laid in the UK Parliament and in the Scottish Parliament. The Annual Report and accounts must also be made available on the NDA's website, in accordance with the guidance in the FReM.

## 8. Audit and Compliance

### Internal Audit and Compliance

8. 1. The NDA shall (and shall ensure that the NDA group shall):
- a) Establish and maintain arrangements for internal audit in accordance with Treasury's Public Sector Internal Audit Standards (PSIAS);
  - b) Ensure BEIS is satisfied with the competence and qualifications of the lead individual responsible for internal audit and the requirements for approving appointments in accordance with PSIAS;
  - c) Ensure that the internal audit team and compliance function have complete access to all relevant records held by the organisation;
  - d) Forward the audit strategy and annual audit report, including the opinion of the lead individual responsible for internal audit within the NDA group on risk management, control and governance as soon as possible to BEIS, according to a timeframe agreed

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<sup>7</sup> <https://www.frc.org.uk/directors/corporate-governance-and-stewardship/uk-corporate-governance-code>

with the BEIS sponsors (see chapter 3); and

- e) Keep records of, prepare and forward to the department an annual report addressing fraud, bribery and theft suffered by the NDA group and notify BEIS of any unusual or major incidents of this nature as soon as possible, in line with BEIS guidance and best practice.

8. 2. BEIS' Internal Audit Service has a right of access to all documents including where the service is contracted out.

8. 3. The NDA leads responsible for internal audit and/or compliance should periodically be invited to attend NDA Board meetings, where key issues are discussed relating to governance, risk management processes or control.

## External Audit

8. 4. The Comptroller & Auditor General (C&AG) audits the NDA's annual accounts and passes the audited accounts to the Secretary of State who will lay the accounts together with the C&AG's report before parliament.

8. 5. In the event where the NDA has set up and controls subsidiary companies, the NDA will in the light of the provisions in the Companies Act 2006 ensure that the C&AG has the option to be appointed auditor of those company subsidiaries that it controls and/or whose accounts are consolidated within its own accounts. The NDA shall discuss with BEIS the procedures for appointing the C&AG as auditor of the companies.

8. 6. The C&AG;

- a) will consult BEIS and the NDA on whom – the NAO or a commercial auditor – shall undertake the audit(s) on their behalf, though the final decision rests with the C&AG;
- b) has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the NDA;
- c) will share with BEIS information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on BEIS' responsibilities in relation to financial systems within the NDA; and
- d) will consider requests from departments and other relevant bodies to provide Regulatory Compliance Reports and other similar reports at the commencement of the audit. Consistent with the C&AG's independent status, the provision of such reports is entirely at the C&AG's discretion.

8. 7. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the NDA has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the NDA shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

## Value for Money Examination

8. 8. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the NDA group has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the NDA and NDA group shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients, contractors and sub-contractors as may be required for these examinations and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

## Information Sharing

8. 9. In line with central guidance except insofar as prohibited by law, BEIS and Scottish Government have the right of access to all NDA group records and personnel for any purpose including, for example, sponsorship audits and operational investigations.
8. 10. The NDA group shall provide BEIS with such information about its operations, performance, individual projects or other expenditure as BEIS may reasonably require.
8. 11. BEIS and HM Treasury may request the sharing of data held by the NDA group in such a manner as set out in central guidance except insofar as it is prohibited by law.
8. 12. As a minimum, the NDA group shall provide BEIS/UKGI with information monthly that will enable the department satisfactorily to monitor:
- a) the NDA's cash management;
  - b) its draw-down of grant-in-aid;
  - c) forecast outturn by resource headings;
  - d) other data required for the Online System for Central Accounting and Reporting (OSCAR).
  - e) data as required in respect of its compliance with any Cabinet Office Controls pipelines or required in order to meet any condition as set out in any settlement letter.

## 9. Management and financial responsibilities

### Delegated authorities

9. 1. The NDA's delegated authorities are set out in the delegation letter as provided and updated from time to time by BEIS. This delegation letter may be updated and superseded by later versions which may be issued by BEIS in agreement with HM Treasury.
9. 2. In line with Managing Public Money Annex 2.2 these delegations will be reviewed on an annual basis.
9. 3. The NDA shall obtain BEIS' and where appropriate HM Treasury's prior written approval before:
- a) entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in NDA's annual budget as approved by BEIS;



- b) incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications; making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by BEIS;
- c) making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required; or
- d) carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money.

## **Managing Public Money and other government-wide corporate guidance and instructions**

- 9. 4. Unless agreed by BEIS and, as necessary, Treasury, the NDA shall (and shall ensure that the NDA group shall) as a minimum follow the principles, rules, guidance and advice in MPM (and any subsequent updates or additions), referring any difficulties or potential bids for exceptions to the NDA sponsorship team in BEIS in the first instance. Unless subject to an agreed exemption to the NDA Delegations contained in the Delegation Letter from BEIS, the NDA and its subsidiary companies should also comply with the Cabinet Office controls. NDA should also have regard to all applicable laws and regulations and guidance provided by BEIS, UKGI and Treasury from time to time - a list of additional relevant guidance and instructions with which the NDA and the NDA group should comply is in Annex B.
- 9. 5. Once the budget has been approved by BEIS and, subject to the SoS's instructions in allocation letters, the NDA group shall have authority to incur expenditure approved in the budget without further reference to BEIS, on the following conditions:
  - a) The NDA shall (and shall ensure that the NDA group shall) comply with the NDA Delegations;
  - b) Inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed;
  - c) The NDA group shall not, without prior written Departmental approval, enter into any undertaking to incur any expenditure which will result in the breach of the NDA's individual control totals for Resource DEL, Capital DEL or Administration Expenditure, or cash Grant-in -Aid.
- 9. 6. In exceptional and urgent circumstances, it may be necessary for the NDA to commit such expenditure in order to discharge its responsibilities. In such circumstances the Department should be informed, and its approval sought as soon as possible thereafter.

## **Grant-in-aid and any ring-fenced grants**

- 9. 7. Payments of Grant-in-Aid by BEIS to the NDA will be made promptly on the submission of a claim showing evidence of need. Claims shall be submitted in such a manner that BEIS does not incur any penalty from Treasury. The claim shall certify that the conditions applying to the use of the NDA's funding have been observed to date and that further funding is now required for purposes appropriate to NDA's functions. NDA shall provide the Department with information on a monthly basis which will enable the satisfactory monitoring by BEIS.

9. 8. The NDA should have regard to the guidance in MPM that it should seek funds according to need. Cash balances accumulated by the NDA during the course of the year from Exchequer funds or non-Exchequer sources shall be kept at the minimum level consistent with the efficient operation of the NDA group. Grant-in-Aid not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where Grant-in-Aid is delayed to avoid excess cash balances at the year end, BEIS will make available in the next financial year any such Grant-in-Aid that is required to meet any liabilities at the year-end, such as creditors.

### **Classification of NDA income and expenditure**

9. 9. The NDA's income and expenditure will be classified, for budgeting and control total purposes, in accordance with Treasury's Consolidated Budgeting Guidance for the appropriate year with the exception of some items of capital and resource expenditure identified below and where Treasury has granted a specific derogation in the Spending Review settlement.
9. 10. New provisions and changes to existing provisions, depreciation and asset impairment will remain exceptionally in AME given their size and likely volatility.
9. 11. Certain expenditure which would be revenue expenditure under the FReM is exceptionally defined as capital expenditure for DEL budgetary reporting purposes only, in accordance with guidance issued by the Office of National Statistics (ONS). The following decommissioning related activities have been defined by ONS as capital for budgetary reporting purposes:
- a) Removal of nuclear fuel from reactors following cessation of generation prior to decommissioning;
  - b) Removal of radioactive materials from a power station to allow for decontamination and demolition of the station;
  - c) Demolition of the power station buildings as part of decommissioning;
  - d) Storage of radioactive material until it can either be made safe or until a permanent means of disposal is decided;
  - e) Remedial work to restore the former site of the reactor to an environmentally satisfactory condition; and
  - f) Construction of waste management facilities required to support decommissioning, clean up and disposal.

### **Receipts from Sale of Goods or Services**

9. 12. The NDA receipts from the sale of goods and services, the rental of land, dividends or intellectual property rights (IPR) will be treated as negative public expenditure (negative DEL) in national accounts and will, therefore, be offset against the Department's DEL (and so provide additional DEL spending power to the NDA in accordance with the provisions below).
9. 13. Income received by the NDA shall be surrendered to BEIS, and subsequently from BEIS to the Consolidated Fund. BEIS will then seek Treasury approval for the Consolidated Fund Extra Receipt (CFER) to be treated as Grant-in-Aid by BEIS with a corresponding increase in the NDA's gross funding.
9. 14. Subject to the provisions of the Act, and to proposals set out in the NDA's approved Strategy and Annual Plan for the year in question, the NDA group shall dispose of assets which are

surplus to its requirements. Assets will usually be sold by auction or competitive tender and in accordance with MPM unless otherwise agreed by BEIS.

## Procurement

9. 15. The NDA group's policy shall be to seek value for money by procuring the goods and services it needs through a free and open competition process, with due regard to regularity and propriety and guarding against fraud, bribery and corruption. It will follow HMG policies and standards on public procurement including the use of central Government Procurement Frameworks for common goods and services where appropriate.
9. 16. The NDA shall also ensure that the NDA group complies with HMG policies and standards on public procurement.
9. 17. Proposals to let direct award, single-tender or restricted contracts will be by exception with the requirement to demonstrate compelling reasons for this course of action.
9. 18. The NDA shall promote the development of a competitive market for nuclear decommissioning and clean up to ensure best value for the taxpayer.

## Risk Management

9. 19. The NDA, on behalf of its group, shall ensure that the risks that it faces are dealt with in a proportionate and appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with Treasury's guidance in the "[Management of Risk - Principles and Concepts](#)" (the Orange Book).
9. 20. The NDA will establish processes to monitor and report to BEIS and UKGI on:
  - a) those major projects and programmes identified and agreed with BEIS in line with BEIS and the Infrastructure and Projects Authority (IPA) requirements and guidance; and
  - b) corporate and NDA group strategic risks.

## Governance

9. 21. In particular (but without limitation), the NDA shall benchmark its performance against the UK Corporate Governance Code; and take appropriate account of the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice, as far as it applies to the organisation as an arms' length public body.

## Reporting on legal risk and litigious matters

9. 22. The NDA, BEIS and UKGI acknowledge the importance of ensuring that legal risks are communicated appropriately to UKGI and BEIS in a timely manner.
9. 23. The NDA will provide a quarterly update to BEIS and UKGI on the existence of any active litigious matters, and any threatened or reasonably anticipated litigious matters against any member of the NDA group.
9. 24. Specific limits to the NDA's delegation to settle litigious matters are set out in MPM and the NDA Delegations.
9. 25. In respect of any litigious matter involving a member of the NDA group, the NDA, BEIS and UKGI will agree an information sharing protocol which will include specific provisions to ensure

appropriate and timely reporting on the status of the litigious matter, and the protection of legally privileged information transmitted to UKGI and BEIS in order to facilitate this. As a minimum, the NDA, BEIS and UKGI will routinely ensure that:

- a) Material developments in any substantial litigious matters are communicated to UKGI and BEIS in an appropriate and timely manner;
- b) Legally privileged documents and information are clearly marked as such in both the main body of the documents and any associated emails to which it is attached;
- c) Individual employees handling legally privileged documents are familiar with principles to which they must adhere to protect that legal privilege; and
- d) Circulation of legally privileged information within HMG occurs only as necessary.

### **Estates Strategy**

9. 26. The NDA shall follow the Government Property Agency controls and guidance and include a section justifying value for money derived from either those properties retained for occupational purposes, or properties held for investment, or any other purpose with a description of the management process.
9. 27. All property disposals, rent reviews, lease renewals, exercising of break-clauses and acquisitions must be supported by a business case and are subject to specific controls set out in the NDA Delegations. Property transactions should follow guidance set out by the Government Property Agency.

### **Subsidiary Companies and Joint Ventures**

9. 28. The NDA shall not (and shall ensure that the NDA group shall not) acquire or establish subsidiary companies or joint ventures or take equity shares in ventures without the express approval of the Department, Treasury and the Cabinet Office.
9. 29. Unless specifically agreed with BEIS, Cabinet Office and Treasury, such subsidiary companies or joint ventures shall be subject to the same controls and requirements set out in this framework document as the NDA.

### **Financial investments**

9. 30. With the exception of Rutherford Indemnity Limited, the NDA group shall not make any investments in traded financial instruments without the prior written approval of the Department, nor shall it aim to build up cash balances, or net assets in excess of that which is required for operational purposes.
9. 31. The NDA's captive insurance company (Rutherford Indemnity Limited) shall be able to invest in traded financial instruments to support its operational purposes in providing insurance to the NDA estate. It shall do so prudently and transparently.

### **Banking and Managing Cash**

9. 32. The NDA must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).
9. 33. The NDA should only hold money outside Government Banking Service accounts where a good business case can be made for doing so. HM Treasury consent is required for each account to be

established. Only commercial banks which are members of relevant UK clearing bodies may be considered for this purpose.

9. 34. Commercial Accounts where approved should be operated in line with the principles as set out in MPM.

9. 35. The NDA AO is responsible for ensuring the NDA has a Banking Policy as set out in MPM and ensuring that policy is complied with.

## **Insurance**

9. 36. The NDA shall in accordance with arrangements agreed with BEIS and Treasury be responsible for procuring insurance for the NDA group. It will do so either through its captive insurance company (Rutherford Indemnity Limited) or through placement in the commercial insurance market.

## **Nuclear Decommissioning Funding Account (NDFA)**

9. 37. The Nuclear Decommissioning Funding Account (NDFA) is the account specified in the Act for the purpose of ensuring transparency as respects the funding of the carrying out of the NDA's functions.

9. 38. The SoS for BEIS is responsible for maintaining the NDFA and establishing policy for its on-going operation in accordance with the terms of the Act.

9. 39. The Permanent Secretary of BEIS is responsible for ensuring that an appropriate control framework for the operation of the NDFA is in place.

9. 40. The NDA agrees that it will supply such information as is necessary to enable the SoS to prepare the NDFA accounts and submit them to the NAO for audit by 30 September each year.

## **Counter Fraud**

9. 41. The NDA should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with guidance as issued by the Counter Fraud Function and in compliance with the procedures and considerations as set in in Managing Public Money Annex 4.9. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter a contract or to provide grant or grant-in-aid.

9. 42. The NDA should keep records of and prepare and forward to BEIS an annual report on fraud and theft suffered by the NDA and notify the sponsor department of any unusual or major incidents as soon as possible. The NDA should also report identified loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the counter fraud centre of expertise in line with the agreed government definitions as set out in the Counter Fraud Functional Standard.

## **10. NDA Staff**

10. 1. The NDA has responsibility for the recruitment, retention and motivation of suitably skilled staff. The broad responsibilities toward its staff are to ensure that:

- a) the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued and appointment and advancement are based on merit. There is no discrimination on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, or sexual orientation;

- b) adequate grievance and disciplinary procedures are in place;
- c) whistle-blowing procedures consistent with the Public Interest Disclosure Act 1998 are in place and aligned with BEIS policy and procedures;
- d) the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness;
- e) the performance of its staff at all levels is satisfactorily appraised and the NDA performance measurement systems are reviewed from time to time;
- f) its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the NDA's objectives; and
- g) a code of conduct for staff is in place.

10. 2. The CEO is responsible for maintaining constructive and productive staff and industrial relations and will consult with staff and their representatives as appropriate. The normal expectation is that all staff and industrial relations matters which affect the NDA will be resolved through the NDA's existing consultation arrangements.

10. 3. Subject to the NDA Delegations, the NDA shall ensure that the creation of any additional posts does not incur forward commitments which will exceed its ability to pay for them.

10. 4. Each year the NDA shall provide BEIS with a remuneration report for the prior year to support the assessment of affordability, sustainability and value for money. This will specifically cover the following: -

- a) Data to be provided in July each year, looking back over the prior financial year and showing data as at 1 April;
- b) A report showing all roles within the NDA group (excluding those subsidiary companies that are public corporations) which have a potential maximum remuneration package that exceeds the threshold set out in 'HMT Guidance for the approval of senior pay' (HMT Pay Guidance). The report will note where additional roles have been approved and added to the quota as set out in 10.6 and will also state where normal annual salary increases have taken roles over the threshold. The components of what amounts to a 'potential maximum remuneration package' will follow the definition set out in such guidance.
- c) A summary of annual salary review increases applied within all parts of the NDA group presented in such a way as to allow this to be compared with the situation that would have arisen if the base increases set out in the Public Sector Pay Remit had been applied and wider pay growth in the private sector; and
- d) BEIS may ask NDA to report on other aspects of pay from time to time.
- e) Confirmation that any pay controls applied by NDA to its NDA subsidiary companies (as set out in the NDA Delegations and/or any exemptions to the NDA Delegations) are being met.

10. 5. The report detailed in Paragraph 10.4 above will be countersigned by the NDA AO.

10. 6. The NDA group (excluding public corporations) shall be exempt from seeking approval for remuneration set out in the Treasury Guidance for the Approval of Senior Pay<sup>8</sup>, subject to paying no more than a set quota of roles a potential maximum remuneration package which exceeds the threshold set out in such guidance (currently £150k). The components of the 'potential maximum remuneration package' will follow the definition in such HMT Pay Guidance. Any roles which will exceed the quota will require the total remuneration package to be approved in advance as set out in BEIS and Treasury guidance. The exemption quota shall be agreed between NDA and BEIS (following Treasury approval routes) from time to time taking into account the market, required skills and the NDA group needs as a whole. Until a quota is agreed between NDA and BEIS / HM Treasury the existing quotas and rules continue to apply for the approval of remuneration packages above the £150k threshold. In addition, each summer following the report referenced in 10.4 above there will be a review of the quota, taking into account any new roles approved during the previous period and noting and reviewing any roles which have crossed the HMT Pay Guidance threshold due to normal salary increases, and a new quota will be agreed as appropriate (following Treasury approval routes).
10. 7. The NDA commits to developing a Reward Governance Framework for high level pay across the NDA group to ensure that control measures are implemented as agreed. This will provide clear rules and approval levels for reward elements and provide an appropriate level of control and transparency.
10. 8. No business within the NDA group may offer or agree to pay any employee a total maximum potential remuneration package that exceeds £400,000 without the consent of BEIS and Treasury. The definition of the package will be that given in the 'HMT guidance for the approval of senior pay' and will be on a pro-rata basis.
10. 9. The NDA Group (excluding public corporations) will comply with the Cabinet Office High Earners Transparency List of senior civil servants and senior officials in departments, agencies and non-departmental public bodies earning £150,000 and above, for individuals employed by the NDA group. This is to take effect from the publication of the list in 2021. Employment contracts should make this expectation clear to NDA staff.
10. 10. In determining the remuneration of any NDA group executive members (who are staff under the provisions of Section 2(7) of the Energy Act 2004), the RemCo shall take into account general guidance from BEIS, Treasury and the Cabinet Office in relation to staff pay and remuneration terms. The RemCo will ensure any decisions are linked to retention and recruitment challenges and demonstrating value for money. As such, any remuneration terms indicated by wider public sector pay guidance as requiring Treasury approval (such as private medical insurance or offering pay in lieu of pension) should be taken as an indication they are considered novel, contentious or repercussive and thus require explicit Treasury approval in advance. Should all parties (BEIS/HMT/NDA) agree to modify some of the delegated pay freedoms this may be done without updating this full Framework Document and will be reflected in the following delegation letter.
10. 11. The NDA, as a NDPB, shall be subject to Civil Service Pay Remit guidance (as revised from time to time), and shall submit an annual Pay Remit for the Corporate Centre and Radioactive Waste Management on an annual basis.
10. 12. The NDA group shall have a staff travel and expenses policy which shall apply to all employees and Board members of the NDA group and will be taxed in line with the latest HMRC guidance.

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/756196/Guidance\\_for\\_approval\\_of\\_senior\\_pay\\_final.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/756196/Guidance_for_approval_of_senior_pay_final.pdf)

## Pensions

10. 13. The NDA and Radioactive Waste Management's (RWM) staff, who are eligible to join, will be automatically enrolled in the PCSPS, usually alpha or partnership. For such NDA staff who are not eligible to join, or who have opted out of PCSPS, the NDA may offer membership of, or the individuals may be automatically enrolled into, the Concord Pension Account - the defined contribution scheme provided by Legal & General (L&G), or the National Employment Savings Trust.
10. 14. Neither the NDA nor RWM shall offer membership of, or contribute to, any other pension arrangement for its staff without BEIS and Treasury approval.
10. 15. All staff in subsidiary companies outside NDA and RWM are members of the Civil Nuclear Pension Plan.
10. 16. The NDA shall seek BEIS and Treasury approval if it proposes to establish any new pension arrangements for NDA group employees.
10. 17. The NDA shall ensure that the statutory protections in Schedule 8, Part 4 of the Act apply.
10. 18. The NDA shall seek BEIS, Cabinet Office and/or Treasury's approval as appropriate, if it proposes to make modifications to, or extend the participation in, any NDA group pension arrangements that could materially increase the pension liabilities of the NDA group.
10. 19. The NDA shall monitor compliance with, and where appropriate take action in respect of, the duties and obligations of SLCs under contractual agreements with the NDA in respect of participation in pension schemes, pension liabilities, cost-sharing arrangements and the provision of pension scheme membership and benefits.

## 11. Review of the NDA and winding up arrangements

11. 1. The NDA will be subject to a review of organisational objectives and structure at least once in the standard lifetime of a parliament. This will be in line with the extant guidance on undertaking reviews of Arm's Length Bodies at the time the review is undertaken. An important part of any review will be to examine the body's governance arrangements.
11. 2. Tailored reviews should be carried out independently of the NDA group, its BEIS policy sponsors and UKGI.

### Arrangements in the event that the NDA is wound up

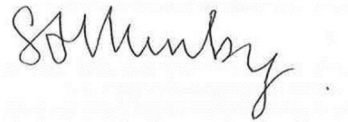
11. 3. Any change to NDA's functions or duties as set out in the Act, including through merger, significant restructuring or abolition would require primary legislation.
11. 4. Where necessary, BEIS will put in place arrangements to ensure the orderly winding up of the NDA, having appropriate regard to the impact on SLCs and their financial obligations under the Nuclear Installations Act 1965. In particular, it should ensure that the assets and liabilities of the NDA are passed to any successor organisation and accounted for properly.



## 12. Signatures

Signed on behalf of the NDA, the Department for Business, Energy and Industrial Strategy, UK Government Investments and the Scottish Government

Signed



**Sarah Munby**

Permanent Secretary for Business, Energy and Industrial Strategy

Signed



**Aidan Grisewood**

Deputy Director, Environmental Quality & Circular Economy, Scottish Government

Signed



**David Peattie**

Chief Executive Officer, Nuclear Decommissioning Authority

Signed



**Ros Rivaz**

Chair, Nuclear Decommissioning Authority

Signed



**Charles Donald**

Chief Executive Officer, UK Government Investments

## 13. Acronyms

The following is a list of acronyms used throughout this Framework Document:

Acronym	Explanation
'the Act'	The Energy Act 2004
AME	Annually Managed Expenditure
AO	NDA Accounting Officer
BEIS	The Department for Business, Energy and Industrial Strategy (or any successor body with responsibility for the NDA)
BEIS SROC	BEIS's Senior Remuneration Oversight Committee
C&AG	Comptroller and Auditor General of the National Audit Office
CEO	The NDA Chief Executive Officer
CFO	The NDA Chief Financial Officer
FReM	Government's Financial Reporting Manual
HMG	Her Majesty's Government
HMRC	Her Majesty's Revenue and Customs
Treasury	Her Majesty's Treasury
MPM	Managing Public Money
NAO	National Audit Office
NDA	Nuclear Decommissioning Authority corporate centre ( <i>excluding</i> its subsidiary companies)
NDPB	Non-Departmental Public Body
NDA Delegations	The NDA's delegated authorities are set out in the annual letter from the Department to the NDA AO. The delegations also include any supplementary or additional delegations which are formally approved from time to time. Those delegations will continue in force until replaced or superseded by a subsequent letter from the Department to the NDA AO.
NDA executive team	The directors within the NDA who form the NDA executive committee
NDA group	NDA and its wholly owned subsidiary companies
PAO	Principal Accounting Officer (the BEIS Permanent Secretary)
PCSPS	Principal Civil Service Pension Scheme
PSIAS	Public Sector Internal Audit Standards
SG	Scottish Government
SID	Senior non-executive Board Member
Shareholder Director	A senior member of UKGI appointed to the NDA Board
SLC	Site Licence Company (with responsibility for operating, decommissioning and cleaning-up one or more of the designated nuclear sites, designated facilities and/or designated nuclear installations for which the NDA is responsible under the Act. SLCs hold a nuclear site licence granted under section 3 of the Nuclear Installations Act 1965).
SoS	Secretary of State for Business, Energy and Industrial Strategy
UKGI	UK Government Investments

## 14. Annex A: NDA subsidiary companies

14. 1. As at the date of this Framework Document, the NDA currently has a number of subsidiary companies, each with a different operational and strategic role, as follows:

Name	Description	Public Corporation
Radioactive Waste Management (RWM)	is responsible for implementing geological disposal of higher activity radioactive waste in England and Wales. It carries out preparatory work to plan for geological disposal	No
Direct Rail Services Limited (DRS)	operates a wide portfolio of rail freight services, supporting the NDA mission and transport strategy through the safe, secure and reliable transport of high-hazard material around the NDA estate within the UK	Yes
International Nuclear Services Limited (INS)	provides specialist nuclear transport, design and licensing services. INS manages INS Japan KKK and INS France SAS as well as the majority shareholding in PNTL	Yes
NDA Archives Limited (Archives)	is responsible for the nuclear archive that has been built in Wick, Caithness. The archive is operated by a commercial partner.	No
NDA Properties Limited	holds and manages the majority of the non-nuclear property assets within the NDA group. In addition, it also manages some selective property developments that support the NDA's wider objectives.	Yes
Pacific Nuclear Transport Limited (PNTL)	operates specialist vessels and specialises in shipping high hazard and radioactive cargos around the world.	Yes
Rutherford Indemnity Limited	provides insurance cover for the NDA and its estate. It has a particular focus on nuclear liability cover and the provision of support for changes to insurance requirements. It is registered in Guernsey and regulated by the Guernsey Financial Services Commission.	No
Sellafield Limited	the SLC responsible for the operation and decommissioning of Sellafield site in Cumbria.	No
Energus	provides facilities for vocational training and development, conferencing and events and the promotion of education in relation to the nuclear sector.	Yes
North Highland Regeneration Fund	promotes commerce in the areas of the North Highlands of Scotland which may suffer an adverse social or economic effect due to the decommissioning of the nuclear plant at Dounreay.	No
Magnox Limited	the SLC responsible for the operation and decommissioning of the Magnox and former research sites across the UK.	No
Energy Coast West Cumbria Limited (BEC) <sup>9</sup>	An economic regeneration vehicle for West Cumbria owned by NDA and three local authorities.	Yes
Energy Coast West Cumbria (Properties) Limited	A subsidiary of BEC responsible for holding and developing properties in line with BEC's strategic plan.	Yes

<sup>9</sup> NDA and the Local Authorities are currently reviewing the governance model for BEC and as a result BEC and its subsidiary may cease to be classed as an NDA subsidiary (in accordance with the Companies Act 2006) within 6 months of the date of this Framework. NDA will keep BEIS and UKGI abreast of developments.

Dounreay Site Restoration Limited	The SLC responsible for the operation and decommissioning of the Dounreay nuclear site. Due to become an NDA subsidiary on 31 March 2021.	No
LLW Repository Limited (LLWR)	The operator of the Low Level Waste Depository located at Drigg, Cumbria. Due to become an NDA subsidiary on 12 July 2021.	No

## 15. Annex B: Compliance with government-wide corporate guidance and instructions

15. 1. The NDA shall comply with (and shall ensure that the NDA group shall comply with) the following general guidance documents and instructions, any subsequent updates to guidance and any new guidance issued by BEIS, Cabinet Office and/or Treasury:

- a) This Framework Document;
- b) Rules on Lobbying for Non-Departmental Public Bodies;<sup>10</sup>
- c) Government's target for spending with SMEs, with such targets set for the NDA by agreement with the Department;
- d) Government's Prompt Payment Policy<sup>11</sup>
- e) Code of Conduct for Board Directors of Public Bodies<sup>12</sup>
- f) Governance Code for Public Appointments<sup>13</sup>
- g) Guidance for approval of senior pay<sup>14</sup>;
- h) Managing Public Money (MPM)<sup>15</sup>;
- i) Public Sector Internal Audit Standards<sup>16</sup>,
- j) Government Financial Reporting Manual (FReM)<sup>17</sup>;
- k) relevant 'Dear Accounting Officer' letters<sup>18</sup>;
- l) Cabinet Office Controls, as set out in more detail below<sup>19</sup>; and
- m) recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and are relevant to the NDA.

15. 2. Additionally, documents referred to in this document and/or guidance which the NDA should have regard to include:

<sup>10</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/62130/ndpbs-lobbying.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/62130/ndpbs-lobbying.pdf)

<sup>11</sup> <https://www.gov.uk/guidance/prompt-payment-policy>

<sup>12</sup> <https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>

<sup>13</sup> <https://www.gov.uk/government/publications/governance-code-for-public-appointments>

<sup>14</sup> <https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward>

<sup>15</sup> <https://www.gov.uk/government/publications/managing-public-money>

<sup>16</sup> <https://www.gov.uk/government/publications/public-sector-internal-audit-standards>;

<sup>17</sup> <https://www.gov.uk/government/publications/government-financial-reporting-manual>

<sup>18</sup> <https://www.gov.uk/government/collections/dao-letters>

<sup>19</sup> <https://www.gov.uk/government/collections/cabinet-office-controls>

- a) HM Treasury’s Assurance Frameworks guidance<sup>20</sup>;
- b) Management of Risk: Principles and Concepts<sup>21</sup>;
- c) The Parliamentary and Health Service Ombudsman’s Principles of Good Administration<sup>22</sup>;
- d) Partnerships between Departments and arms’ length bodies: Code of Good Practice<sup>23</sup>;
- e) Public sector pay and terms: guidance note<sup>24</sup>;
- f) Government guidance on procurement<sup>25</sup>;
- g) Government Functional Standards, including:
  - i. Commercial Operating Standards<sup>26</sup>;
  - ii. Government Finance Standards<sup>27</sup>;
  - iii. Project Delivery Functional Standard<sup>28</sup>;
  - iv. HR Government Functional Standard<sup>29</sup>; and
  - v. Government Functional Standard on Counter Fraud<sup>30</sup>.
- h) other relevant guidance and instructions issued by Treasury in respect of Whole of Government Accounts; and
- i) other relevant instructions and guidance issued by the central Departments and specific instructions and guidance issued by the sponsor Department.

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<sup>20</sup> <https://www.gov.uk/government/publications/assurance-frameworks-guidance>

<sup>21</sup> <https://www.gov.uk/government/publications/orange-book>

<sup>22</sup> <http://www.ombudsman.org.uk/improving-public-service/ombudsmansprinciples>

<sup>23</sup> <https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice>

<sup>24</sup> <https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>

<sup>25</sup> <https://www.gov.uk/government/collections/procurement-policy-notes> and

<https://www.gov.uk/government/publications/the-outsourcing-playbook>

<sup>26</sup> <https://www.gov.uk/government/publications/commercial-operating-standards-for-government>

<sup>27</sup> <https://www.gov.uk/government/publications/government-finance-standards-page>

<sup>28</sup> <https://www.gov.uk/government/publications/project-delivery-functional-standard>

<sup>29</sup> <https://www.gov.uk/government/publications/hr-government-functional-standard>

<sup>30</sup> <https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud>