



**Minutes of a meeting of the Nuclear Decommissioning Authority (“NDA”)
Board**

Held on 15th February 2023 at the DoubleTree Victoria and Teams

PRESENT:	Ros Rivaz	Chair of the Board	
	David Peattie	Group Chief Executive Officer (“CEO”)	
	Mel Zuydam	Group Chief Financial Officer (“CFO”)	
	Janet Ashdown	Non-Executive Director and SID	
	Kathryn Cearns	Non-Executive Director	
	Evelyn Dickey	Non-Executive Director	
	Francis Livens	Non-Executive Director	
	Alex Reeves	Non-Executive Director	<i>Via Teams</i>
	Chris Train	Non-Executive Director	
IN ATTENDANCE:	Matthew Shaw	Acting Group General Counsel and Company Secretary	
	[Minute redacted – s.40 Personal]	Assistant Company Secretary	
	Alan Cumming	Group Chief Operations and Performance Improvement Officer	
	Paul Vallance	Director of Communications and Stakeholder Relations	
	[Minute redacted – s.40 Personal]	Chair, Sellafield Limited	
	Melanie Brownridge	Technology and Innovation Director	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Head of Technical Assurance	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Chief Executive Officer, Magnox Limited	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Managing Director, DSRL Limited	<i>[Part only – via Teams]</i>
	Frank Rainford	Group Chief of Staff and Security Officer	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Acting Deputy General Counsel	<i>[Part only – via Teams]</i>
	Duncan Thompson	Group Development Director	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Chief Executive Officer, Sellafield Limited	<i>[Part only – via Teams]</i>
	Clive Nixon	Chief Nuclear Strategy Officer	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Senior Legal Counsel	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Acting Group Chief Commercial and Business Development Officer	<i>[Part only – via Teams]</i>
	Dipak Arya	Head of Diversity & Inclusion	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Group Chief Information Security Officer	<i>[Part only – via Teams]</i>
	[Minute redacted – s.40 Personal]	Head of Sanction	<i>[Part only – via telephone]</i>
	[Minute redacted – s.40 Personal]	Group Chief Compliance & Ethics Officer	<i>[Part only – in person]</i>
[Minute redacted – s.40 Personal]	Former Chief Executive Officer, BNFL	<i>[Part only – in person]</i>	
APOLOGIES:	Neil Harnby	Group General Counsel and Company Secretary	



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Agenda Item	Action Owner	
1.	Safety moment	
1.1	D Peattie presented the safety moment and updated the board on a recent incident involving Direct Rail Services.	
2.	Meeting Administration	
2.1	Apologies	
2.1.1	The Chair noted that A Reeves would be joining the meeting remotely by Teams and that J Ashdown would not be present for part of the meeting.	
2.2	Conflicts of Interest	
2.2.1	The Board considered the register of interests and APPROVED that all Board Members present could participate fully in the meeting.	
2.3	Minutes of the previous meeting(s)	
2.3.1	The minutes of the previous meeting on 18 and 19 January 2023 were APPROVED for signing, subject to the request of the Board that: <ul style="list-style-type: none"> (i) minute 2.3(iii) was amended to clarify that the discussion did not confer new powers for the Committees; (ii) minute 12.1 be updated to reflect that the required work was to ensure any re-branding of Magnox Limited post merger with DSRL was aligned with the existing Group branding. 	
2.4	Decisions Log	
2.4.1	The record of decisions from the Board meeting held on 18 and 19 January 2023 was noted.	
2.5	Actions Review	
2.5.1	The Board considered the update on actions arising from previous meetings and: <ul style="list-style-type: none"> (i) agreed that actions 1810, 1813 and 1814 be closed; (ii) agreed that action 1789 be closed as each Operating Companies had sustainability strategies in place; and (iii) requested that action 1793 would be amended to reflect that a paper on the short, medium and long-term strategy for commercial hedging would be presented to the Audit Risk and Assurance Committee. 	
2.6	Board Effectiveness Recommendations	
2.6.1	The Board discussed and APPROVED the proposed recommendations, subject to timeframes being added to ensure that performance can be monitored.	R Rivaz / M Shaw
2.6.2	The Board discussed the training available to directors and in particular the need for training on directors’ duties in the context of the NDA’s operating environment. A Reeves noted that UKGI had access to some training material which may be helpful for this.	
	<i>A Reeves left the meeting.</i>	
3.	Chair’s Observations	
3.1	R Rivaz reported to the Board on her attendance with J Ashdown at a meeting with the Civil Nuclear Police Authority Chair [Minute redacted – s.40 Personal] and her meeting with BEIS Director [Minute redacted – s.40 Personal]. She also highlighted the recent network events across the Group as an important opportunity to enhance inter-group collaboration.	



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3.2	At the Chair’s request, F Livens provided an update on a recent Nuclear Decommissioning Research Centre workshop he attended, in which a business case was being developed for research and innovation funding from the Engineering and Physical Sciences Research Council.	
3.3	R Rivaz noted that a Board to Board event for NDA group companies had been scheduled for 3 and 4 July 2023. Work was ongoing with J Ashdown and the Chair of Nuclear Waste Services to finalise the agenda for the event. Following discussion, the Board suggested that a facilitator for the event would be useful.	
	<i>A Reeves re-joined the meeting.</i>	
4.	CEO’s update	
4.1	D Peattie outlined the recent changes to Government departments, including the newly formed Department for Energy Security and Net Zero, which would replace BEIS as the sponsoring Department for the NDA. Key appointments for the Department included Grant Shapps as Secretary of State, [Minute redacted – s.40 Personal] would remain as the lead Minister of State for the NDA, [Minute redacted – s.40 Personal] as Permanent Secretary and [Minute redacted – s.40 Personal] as Second Permanent Secretary. The approval of EDNUP and discussions around the pay remit were ongoing due to the recent governmental changes.	
4.2	D Peattie reported that he had recently approved the Pu Disposition SOBC following presentation to the GIC, which was delegated to him at the previous meeting, and praised it as a highly significant step in the work of the NDA.	
4.3	The Post-Irradiation Examinations review at Sellafield had been recently undertaken, and a letter was expected to be received shortly, which would be shared with the Board.	
4.4	The payroll deadline for those in the Civil Service pay remit was in early March 2023, and the Board discussed the staff retention challenges caused by the current pay position. D Peattie explained that he would write to senior officials to attempt to resolve the situation.	
5.	CFO’s Update	
5.1	M Zuydam outlined the potential implications of the recent ONS inflation figures for January 2023. Recent Group-wide collaboration to address inflation had been focussed on de-risking the forecasted inflationary effects for the upcoming financial year. Inflation estimates would be required for the year-end reporting as the ONS inflation figures for March 2023 would be released on 15 th April 2023.	
5.2	M Zuydam presented the Period 9 2022/23 (P9) Board Performance Pack and highlighted that NDA was expected to fall within budget for the financial year. The Board discussed the current Operating Company resourcing issues. M Zuydam highlighted recent energy cost savings at Sellafield and actions taken to manage inflationary costs. Following discussion, M Zuydam explained that Project Lion was present on the waterfall as this had been agreed by the Commercial team with HMG and Treasury under the normal Budget Flexibility arrangements for Income, and that HMG understood that at the time of inclusion it was not yet approved or agreed.	



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5.3	Work was ongoing to set the budget for the next financial year, and the target date of completion was early March. M Zuydam explained that the significant risks for the next financial year were related to income and delivery income.	
5.4	The upcoming external audit was discussed, and it was explained that most of the work would be undertaken by the National Audit Office, and Mazars would be taking a reduced role for the work. The Board discussed the challenging external auditor market conditions, and agreed that the situation would need to be monitored.	
6.	Safety & Performance Improvement Update	
6.1	A Cumming presented the update and highlighted the reduction of RIDDOR and Lost Time Accidents incidents in Period 9. Assurance reviews relating to Health and Safety practices in the Operating Companies were ongoing. Sellafield was actively working with ONR to enhance the use of safety metrics and implement learnings from external organisations.	
6.2	The Chief Operating Officers across the group met to discuss simplifications to performance management, risk reduction and improvement to operational throughput. Recent successes, such as performance improvements following a recent process re-engineering at the Sizewell site, were being shared to drive Group performance improvements.	
6.3	The Board discussed the resourcing issues across the group and the need for improvements to workforce planning. The divergences in training and security across Operating Companies was seen as a barrier to mobility and efficiency. The Board suggested that the challenges caused by pay disparity with private companies should be articulated in conversations with HM Government.	
7.	Update on Safety & Cyber Security at Sellafield	
7.1	[Minute redacted – s.40 Personal] presented the item and explained that the Sellafield Board and Executive recognise that there are safety and performance challenges at Sellafield. [Minute redacted – s.36 Policy], improving personal safety had become a key organisational priority. [Minute redacted – s.40 Personal] highlighted the importance of the presence of leadership on sites. There had been a reduction in the rate of lost time accidents in the past year, but also two RIDDOR reportable incidents in January 2023. [Minute redacted – s.36 Policy]. One of these risks had been recently remediated, and a target had been set for another to be closed by the end of 2023.	
7.2	[Minute redacted – s.40 Personal] provided an update on cyber security developments at Sellafield following [Minute redacted – s.36 Policy]. Progress was being made on the investigation, and certain internal changes had been implemented, including the: <ul style="list-style-type: none"> (i) enhancement of Leadership accountability for Cyber Security, (ii) appointment of an advisor on Cyber security to the Sellafield Board, and (iii) ongoing penetration testing work for the Sellafield IT systems. 	
7.3	An update on general operational performance was provided. There had been two power outages in January 2023, one of which resulted in the loss of site operation for one week. The Board raised the challenges caused by	



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	the Replacement Analytical Project and suggested that the consequences of inaction should be made clear in conversations with HM Government.	
	<i>M Brownridge and [Minute redacted – s.40 Personal] joined the meeting.</i>	
8.	A - One NDA & Strategy	
8.1	Technology and Innovation Update	
8.1.1	A Cumming outlined the work undertaken to increase the use of technology and innovative practice and the engagement work with Chairs of the Operating Companies to ensure the propensity for innovation was shared across the Group. This had led to a series of recommendations being made by the Operating Company Chairs, including the desire to be bold in decision-making in this area. M Brownridge provided the update and explained various initiatives deployed across the group to drive innovation. The Board emphasised the importance of quantifying the benefits of innovative practices and, conversely, the cost of not doing so. The incentivisation of innovation across the Group was disparate and work was underway to explore whether this could be included in future contracting processes.	
8.1.2	The Board discussed how to build innovation into projects and construction, such as designing construction projects to allow for future upgrades to be implemented as technology develops. M Zuydam discussed the future costs associated with a risk averse approach to innovation, and noted that the sanction process was being developed to include innovation analysis in business cases.	
8.1.3	The Board NOTED the progress made in the improvement programme and ENDORSED : (i) the Operating Company Chairs’ key recommendations; and (ii) the actions contained in the paper.	
	<i>M Brownridge and [Minute redacted – s.40 Personal] left and [Minute redacted – s.40 Personal], [Minute redacted – s.40 Personal], F Rainford and [Minute redacted – s.40 Personal] joined the meeting.</i>	
8.2	Magnox/DRSL merger	
8.2.1	[Minute redacted – s.43 Commercial]	
8.2.2	[Minute redacted – s.43 Commercial] <i>[At the Board meeting on 22 March 2023, K Cearns confirmed that she had received evidence from M Zudyam of [Minute redacted – s.43 Commercial].]</i>	
8.2.3	The Board praised the work done so far and NOTED : (i) the draft legal review, (ii) [Minute redacted – s.43 Commercial], and (iii) [Minute redacted – s.43 Commercial]. The Board APPROVED : (i) [Minute redacted – s.43 Commercial]; and (ii) [Minute redacted – s.43 Commercial].	
	<i>[Minute redacted – s.40 Personal], F Rainford and [Minute redacted – s.40 Personal] left and [Minute redacted – s.40 Personal], D Thompson and C Nixon joined the meeting.</i>	
8.3	AGR Quarterly Summary Dashboard	
8.3.1	D Thompson provided an update on the AGR work and highlighted the collaboration done on the project. [Minute redacted – s.40 Personal]	



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	reported that the targets to increase the empty skip buffer at Sellafield between December to February 2023 had not been met. This was explained to be caused by unexpected power outages on the site in January 2023, which meant the buffer could not be increased during the power loss. The current empty skip buffer would cover three weeks. This was not expected to provide sufficient resilience to meet throughput targets designed to ensure regular fuel receipts from EDF. Remedial actions to increase the empty skip buffer were underway, including agreed overtime arrangements. [Minute redacted – s.40 Personal] explained that a second hoist for the dismantler was expected to arrive by the end of 2023, which would further improve operational resilience.	
8.3.2	C Nixon explained that there had been good progress on the strategic alignment between EDF, NDA and Magnox. There had been a focus on synergies between the parties, such as alignment regarding waste treatment.	
8.3.3	[Minute redacted – s.40 Personal] highlighted positive work relating to the transition and seamless transfer of the AGR sites, and commended the positive relationships being built with new key personnel at EDF. It had been agreed that the land transferred would include up to the existing site licence boundaries, which the Board commended as significant progress. Work was ongoing regarding the optimal method of transferring site operational data from EDF. There had been positive regulatory meetings with ONR and the Environment Agency, and it was reported that SEPA were experiencing resourcing challenges, similar to other parts of the sector.	
8.3.4	M Zuydam outlined the ongoing work with BEIS and NLF to determine the funding arrangements upon completion of the site transfers. The work was balancing the desired simplification of funding with the accountability mechanisms which have been requested by NLF.	
	[Minute redacted – s.40 Personal], [Minute redacted – s.40 Personal], <i>D Thompson and C Nixon left the meeting and [Minute redacted – s.40 Personal], F Rainford, D Arya, [Minute redacted – s.40 Personal] and [Minute redacted – s.40 Personal] joined the meeting.</i>	
8.4	Group Policy Statements, Interface Agreements and One NDA Update	
8.4.1	[Minute redacted – s.40 Personal] explained that, following a previous Board request, Group Policy Statements regarding Value for Money and Diversity & Inclusion had been drafted. Following discussion, the Board APPROVED the two additional Group Policy Statements subject to the amendment to the Diversity & Inclusion Policy Statement to include reference to employment networks , and the amendment to the Value for Money Policy Statement to include stronger reference to innovation . It was explained that, once amended, these new Group Policy statements would be presented to the Boards of the Operating Companies for approval. Following discussion, the Board requested that the current Interface Agreements with the Operating Companies be uploaded to Board Intelligence.	D Arya [Minute redacted – s.40 Personal]
	[Minute redacted – s.40 Personal], <i>D Arya</i> , [Minute redacted – s.40 Personal] <i>and [Minute redacted – s.40 Personal] left the meeting and [Minute redacted – s.40 Personal] and a NCSC representative joined the meeting.</i>	



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8.	B - Governance and Culture	
8.5	National Cyber Security Centre update	
8.5.1	The Cyber Security update was presented, which outlined the threat landscape to NDA. Following discussion, the Board noted the update. F Rainford explained that a group-wide cyber security plan was being implemented. The Board commended the partnership with NCSC.	
	[Minute redacted – s.40 Personal] <i>and a NCSC representative left and [Minute redacted – s.40 Personal] joined the meeting.</i>	
8.6	CIO Update	
8.6.1	[Minute redacted – s.40 Personal] presented the update on Group IT & Digital and noted that: <ul style="list-style-type: none"> • good practice had been identified in the NTS asset management approach which had been consolidated in a draft group IT asset management standard; • work was ongoing at Sellafield to identify a best course of action regarding issues with the ITSA Extension; • the target date for the Group IT systems development work to be ‘business as usual’ was by 2026, and budgetary concerns directly impact this timeframe; and • there was a shift in focus from Group IT & Digital being asset-based to service-based, which would reduce the resource required for maintenance and replacement. 	
8.6.2	The Chair reminded the Board of her interest as a director of Computacenter and the Board agreed that there had been no perceived or actual conflict in the discussion.	
	[Minute redacted – s.40 Personal] <i>left and [Minute redacted – s.40 Personal] joined the meeting.</i>	
8.	C - Programmes and Projects	
8.7	Sanction Forward Plan	
8.7.1	[Minute redacted – s.40 Personal] reported that High Integrity Stainless Steel Containers FBC had been approved by HM Treasury. The Infrastructure Electrical Supply - New Construction FBC had been presented to BEIS PIC and additional information had been requested. The Low Active and Very Low Active Analysis OBC was scheduled to be presented to BEIS PIC on 2 nd March 2023.	
8.7.2	[Minute redacted – s.40 Personal] highlighted that the timeframe for the submission of Hinkley Point A Vault Retrieval and Packaging (VRP) OBC had been accelerated and this was now scheduled to be presented to the Board in March 2023.	
	[Minute redacted – s.40 Personal] <i>left the meeting.</i>	
8.	B – Governance and Culture (continued)	
8.8	Committee Reports	
8.8.1	The Chairs of the Board Committees reported on the matters discussed during the recent Committee meetings. J Ashdown highlighted that: <ul style="list-style-type: none"> • a Health Safety Security and Environment Committee call had taken place with [Minute redacted – s.40 Personal] in January regarding the MSSS review and next steps. This was praised as being a useful meeting. 	



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	<ul style="list-style-type: none"> a Nuclear Safety review was being conducted by the NDA. The Board discussed the action workload for executives, and A Cumming noted that the review would focus on the completion of existing actions. the NDA was assisting Sellafield in fire protection work. the Group was expected to achieve excellent performance against its Sustainability Beacon Project targets for the financial year. The targets for the next financial year were being prepared for approval. a deep dive into GSR014, Diversity and Inclusion, was presented to the February Sustainability & Governance Committee. <p>The Board discussed the Annual Report and Accounts and noted that Committees will sign off relevant sections prior to signing.</p>	
	[Minute redacted – s.40 Personal] <i>joined the meeting.</i>	
8.9	Update on a group approach to Speak Up	
8.9.1	[Minute redacted – s.40 Personal] presented the update and explained the work undertaken in developing a Group-wide Speak Up whistleblowing framework. It was emphasised that the priorities were keeping the policy concise and the procedures clear and robust. Certain allegations, such as those involving criminal allegations, would have a clear escalation procedure. The Board requested that the safety example in the policy be presented earlier in the section, and that the policy be clear that it included contractors in its scope.	
8.9.2	The target completion date for the policy was by May 2023 and this would be submitted to the Board for approval. The framework would then be introduced across the Group in the 2024 financial year.	
8.9.3	The Board discussed the broad scope of the work in developing the culture of a large workforce. R Coleman explained that the use of training, communications, and the appointment of a network of ethics ambassadors across the group would be utilised to embed the Speak Up approach in the organisational culture. The selection of investigators would be undertaken in collaboration with the Operating Companies, and comprehensive training would be given to these individuals.	
8.9.4	A Meggs highlighted the importance in data in analysing effectiveness of the framework, and R Coleman noted that benchmarking data from other organisations would be used in this exercise. The Board NOTED the update and commended the progress so far.	
	[Minute redacted – s.40 Personal] <i>left the meeting.</i>	
9.	Items for noting	
9.1	AGR Decommissioning – NDA’S NLA assurance role (BEIS agent under the NLFA)	
9.1.1	The Board NOTED the update.	
9.2	Non-Operational Subsidiaries update	
9.2.1	The Board discussed the update and K Cearns agreed to discuss the governance arrangements of the non-operational subsidiaries with the Chair and Acting General Counsel.	
10.	Forward Agenda & Any Other Business	
10.1	The Board noted the forward agenda and there was no further business raised by the Board.	



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11.	Reflections from the Sellafield Chair	
11.1	[Minute redacted – s.40 Personal] highlighted the welcoming approach of the Board to its presenters. The length of the meeting packs was noted, and it was suggested that it may be beneficial for the Information pack to be considered as an optional pre-read document.	
11.2	[Minute redacted – s.40 Personal] emphasised the focus on Board priorities in the formulation of the Sellafield Board agenda.	
	[Minute redacted – s.40 Personal] <i>joined the meeting.</i>	
12.	Reflections from [Minute redacted – s.40 Personal], former CEO of BNFL	
12.1	[Minute redacted – s.40 Personal] presented a reflection on his time as CEO of British Nuclear Fuel Limited and highlighted the challenges and themes of his tenure. The Board thanked [Minute redacted – s.40 Personal] for the insights provided.	
13.	Any Other Business	
13.1	There being no further business, the Chair closed the meeting at 17:45.	