



Department for
Energy Security
& Net Zero

Annual Report to Parliament on the use of powers under Part 3 of the Energy Act 2013 by the Secretary of State for Energy Security and Net Zero and the Secretary of State for Work and Pensions

1 April 2022 to 31 March 2023

July 2023

Department for Energy Security and Net Zero

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Presented to Parliament pursuant to Section 108 (1) of the Energy Act 2013

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Requirements under Section 108(1) of the Energy Act 2013:

Section 108(1) of the Energy Act 2013 (the 2013 Act) requires the Secretary of State as soon as reasonably practicable after the end of the financial year, to make a report to each House of Parliament on the use of the Secretary of State’s powers under Part 3 of the 2013 Act during that year. The report must be laid before Parliament.

This report covers the period 1 April 2022 to 31 March 2023. This is the ninth report to be laid before Parliament pursuant to section 108 since the 2013 Act came into effect.

Part 3 of the Act (Nuclear Regulation) has five chapters covering nuclear regulations, the organisation and structure of the Office for Nuclear Regulation (“ONR”), the purposes and functions of the ONR and other supplementary matters.

Responsibility for this Part of the 2013 Act is shared between two departments, the Department for Work and Pensions and the Department for Energy Security and Net Zero. Agreed responsibilities are set out in the tables below.

The Secretary of State for the Department for Work and Pensions has specific responsibility, in relation to ONR, for:

Pay	<ul style="list-style-type: none"> Under the DWP/ONR Framework document ONR can set its own pay remit, taking into account the requirements of Managing Public Money, Cabinet Office guidance and other relevant public sector guidance. ONR will alert DWP at the earliest opportunity if it proposes to deviate from these requirements.
Financial control	<ul style="list-style-type: none"> Approval of the ONR’s accounts Approval of any borrowing by the ONR. Provision of the ONR with sufficient funds to enable it to carry out its functions.
Non-executives (not including security non-executive)	<ul style="list-style-type: none"> Appointment and dismissal Acceptance of resignation Approval of terms of appointment
Other controls	<ul style="list-style-type: none"> Receipt of proposals for regulations made by the ONR Approval of international work of the ONR (in consultation with DESNZ due to its interest in national security issues) Approval of any Approved Code of Practice proposed by the ONR

The Secretary of State for the Department for Energy Security and Net Zero has specific responsibility for the following areas:

Security specific	<ul style="list-style-type: none"> • Non-Executive Director, Security: appointment and dismissal; acceptance of resignation; approval of terms of appointment • In exceptional circumstances relating to national security, issuing a direction to the ONR as to the exercise of a regulatory function in a particular case
Policy Directions and Sensitive Information	<ul style="list-style-type: none"> • Direct ONR regarding the exercise of its functions generally, or any of its functions specifically • Provide consent to issue certain communications which concern matters to which government policy on national security relates • Give a notice to the ONR specifying the description of sensitive nuclear information in addition to those provided in the Energy Act 2013.

There is joint responsibility, but with the final decision resting with the Secretary of State for the Department for Work and Pensions in the following areas:

Key appointments	<ul style="list-style-type: none"> • Agreement of appointment of the Chair • Approval of the appointment of the Chief Nuclear Inspector (CNI) and Chief Executive Officer (CEO)
ONR Strategy and Plan	<ul style="list-style-type: none"> • Approval of ONR's Strategy and Annual Plan and laying them before Parliament
Annual Report and Accounts	<ul style="list-style-type: none"> • Laying before Parliament ONR's Annual Report and Accounts
Other controls	<ul style="list-style-type: none"> • Approval of commercial work

2022-2023 powers exercised by Secretary of State for the Department for Work and Pensions:

Pursuant to section 108 of the Energy Act 2013, what follows is a report on the powers under Part 3 of that Act that have been exercised by the Secretary of State for the Department for Work and Pensions in the last financial year.

Schedule 7, paragraph 4:

Paragraph 4 makes provision in relation to non-executive members of ONR. Under this paragraph, a resignation of one existing NED was accepted by the Secretary of State, with effect from 30 November 2022 and Interim NED Dame Sue Gray was appointed for twelve months from 1 February 2023 without open competition (to allow time to commence an open competition).

Schedule 7, paragraph 25(3):

Paragraph 25(3) provides that the Secretary of State lay a copy of relevant documents (as defined in paragraph 25(1)) in Parliament together with a statement. Under this paragraph, the Secretary of State laid in Parliament ONR's Corporate Plan 2022-23 (20 June 22) and Annual Report and Accounts 2021-22 (3 November 22).

2022-2023 powers exercised by Secretary of State for the Department for Energy Security and Net Zero:

Pursuant to section 108 of the Energy Act 2013, what follows is a report on the powers under Part 3 of that Act that have been exercised by the Secretary of State for the Department for Energy Security and Net Zero in the last financial year.

Section 118:

Section 118 provides that as soon as reasonably practicable after the end of the period of 7 years beginning the day on which ONR came into force, the Secretary of State must undertake an independent Post Implementation Review of Part 3 of the Energy Act 2013.

Section 7, paragraphs 4 and 8:

Paragraph 4 makes provision in relation to non-executive members of ONR and Paragraph 8(2) provides for the terms of a person's appointment as a non-executive executive member. Under these paragraphs, one existing Security NED appointment was extended for a further two years from 30 September 2022 to 30 September 2025, taking effect on 31 August 2022.

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