



Department for
Business, Energy
& Industrial Strategy

Nuclear Fuel Fund

Application Guidance

January 2023



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Introduction

As the only form of reliable, low-carbon power deployed at scale to date, HMG's intention for new nuclear power has been clear and sustained across the [Energy White Paper](#), the [Net Zero Strategy](#), and the recent [British Energy Security Strategy \(BESS\)](#), with ambitions to deploy up to 24GW_e of nuclear power by 2050, around 25% of our projected electricity demand. As the percentage of electricity provided by nuclear power increases, the need to ensure a secure supply of fuel for our reactor fleet will become even more pertinent.

Nearly all the UK's historic and existing nuclear reactors have been fuelled using a UK-led supply chain for uranium enrichment and fuel fabrication. This has led to a domestic capability spanning nuclear fuel research and development (R&D) through to modern, well-invested commercial-scale enrichment and fabrication facilities, all of which are underpinned by a highly skilled workforce.

However, whilst the domestic fleet has to date consisted of mostly a single reactor technology – Magnox and Advanced Gas-cooled Reactors (AGRs) are both gas-cooled reactors – the future UK fleet is expected to be made up of a variety of reactor technologies spanning other types of Gigawatt (GW_e) reactors, Small Modular Reactors (SMR) and Advanced Modular Reactors (AMR), many of which require new and advanced fuel types. It is therefore likely that in future the UK supply chain will need to meet demand for a range of different fuel types: for reactors which are currently deployed or in construction in the UK or internationally, and for advanced reactors which are not currently operational but first of a kind (FOAK) projects and first fleets are likely to deploy in the near future (~15 years).

Combined with a growing international impetus on governments and industry to secure low-carbon energy supplies, this shift is creating an ever-increasing need for investment in the UK's fuel production capability to ensure it is fit to support our civil nuclear ambitions, capitalise on emerging export opportunities, and protect our energy security.

To help realise the sector's potential, BEIS has up to £75m in grant funding available to establish a Nuclear Fuel Fund (NFF). The strategic aim of the Nuclear Fuel Fund is to support the UK fuel supply chain to develop the capabilities needed to meet fuel demand for current and future reactors in the UK and globally. The NFF will therefore seek to support projects which will develop the front-end supply chain (excluding mining and milling) for relevant uranium and fuel products.

A Request for Information (RFI)¹ was launched in July 2022 asking interested parties to share views on the challenges facing the sector and barriers to investment, give feedback on the proposed fund design, and provide information regarding the potential projects that could be put forward for funding.

The responses to the RFI provided information on the common barriers to investment in the UK nuclear fuel sector, including:

¹ <https://www.gov.uk/government/publications/nuclear-fuel-fund-nff>

- High upfront costs of establishing new facilities and product lines which may need to be committed to at risk.
- Uncertainties regarding the long-term outlook of the energy system and the makeup of future fuel demand, particularly with regard to the emergence of advanced reactor technologies.
- Costs and timelines associated with siting and licencing of new nuclear fuel facilities and products.
- Shortage of nuclear and engineering skills: *Nuclear - Suitably Qualified and Experienced Personnel (N-SQEP)*.

The Nuclear Fuel Fund will help overcome these barriers to investment by offering match funding to promising projects which support the preservation and development of UK fuel production capabilities. As part of the Nuclear Fuel Fund, a direct award has been made to Springfields Fuels Limited to support existing fuel capability in the UK. The remainder of the fund will be allocated to proposals which cover a range of fuel products and services.

There are specific categories of fuel products and services which were identified through the RFI process as being of particular priority for the Nuclear Fuel Fund to support. These have been selected based on an assessment of the types of capabilities considered to be the most strategically important to the UK's future nuclear deployment ambitions, and where funding will be most impactful to remove market barriers. The categories are as follows:

- Light Water Reactor (LWR) Fuel Supply;
- High Assay Low Enriched Uranium (HALEU) Supply Chain;
- AMR Fuel Fabrication Capabilities; and
- Enabling UK Fuel Production Capabilities.

Further guidance on the scope of each of these categories is contained in Stage 4: Portfolio Approach. Projects must be activities related to fuel production which are not business-as-usual activities and are carried out in the UK by the applicant organisation, and where NFF support is required to overcome or reduce market barriers.

Through targeted investment in UK fuel projects, the NFF will support the supply chain to access new markets, preserve skills and knowhow and, ultimately, help to ensure a secure, resilient supply of fuel for the reactors of today and tomorrow.

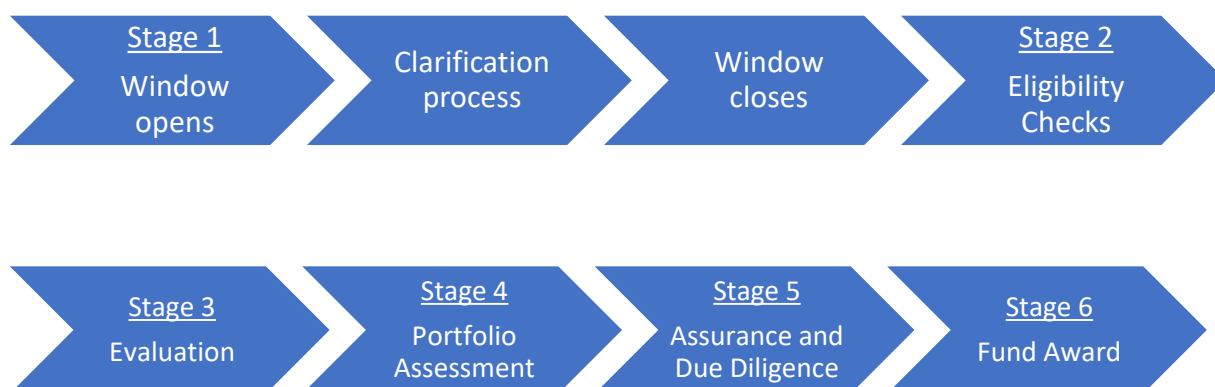
Alignment with other BEIS programmes

BEIS is currently also running the Future Nuclear Enabling Fund (FNEF) and the AMR Research, Design and Demonstration (RD&D) programme. Participation in either of these programmes will not affect the likelihood of an applicant being awarded funding through the Nuclear Fuel Fund, however specific project deliverables which are already being supported through another programme will not be eligible for support from the Nuclear Fuel Fund.

Application and Assessment Process

Applicants must ensure they have read this guidance document in its entirety before applying.

The application and assessment process consists of the following stages:



- In **Stage 1** the window for applicants to put forward proposals will be open. This application window will be open from 2 January 2023 until 20 February 2023. During this period potential applicants will also be able to submit clarification questions regarding this guidance. Whilst the application window is still open, BEIS will publish these questions and the relevant answers on gov.uk.
- In **Stage 2**, proposals will be assessed against the eligibility criteria including initial credit and financial viability checks.
- In **Stage 3**, eligible proposals will be evaluated against the strategic, deliverability, and economic evaluation criteria.
- In **Stage 4**, eligible proposals which meet the minimum quality benchmark at evaluation stage will be assessed as a whole to ensure the most appropriate portfolio of projects is taken forward.
- In **Stage 5**, this portfolio of fundable proposals will then be subject to a national security assessment, financial due diligence, and other checks, including an internal government assurance and approvals process.
- In **Stage 6**, a grant offer letter will be sent to successful applicants and a grant agreement signed prior to awarding of grant funds.

Stage 1: Application Window Open and Preparation of Proposals

The timeline for applications is detailed below. The department will not accept applications submitted after the advertised deadline. The department retains the right to extend the application deadline at any time and will communicate any changes via gov.uk in advance. These milestones are subject to change.

Milestone	Date
Application and clarification windows open	2 January 2023
Clarification window closes	16 January 2023 (12 noon)
Clarifications published	w/c 23 January 2023
Deadline to request access to the Nuclear Fuel Fund application portal	27 January 2023 (12 noon)
Application window closes	20 February 2023 (12 noon)

Prospective bidders will need to email nuclearfuelfund@beis.gov.uk by 27 January to be given a unique link to a secure online portal, “**Nuclear Fuel Fund (NFF) Applications**”. Applicants should use their individual company/lead consortium email address as this will ensure that company details are securely held and accessed through this individual contact. Please use only one email for your application. Each bid will require an individual folder so companies or consortia planning to submit multiple bids should make this clear in their email.

This secure portal should be used to submit and upload all required documents as detailed in the NFF Application Form and this guidance **by 20 February 2023 (12 noon)**.

This portal complies with the Data Protection Act 2018 which is the UK’s implementation of the General Data Protection Regulation (GDPR). We will hold your data for the period necessary for evaluation, monitoring and reviewing the Nuclear Fuel Fund for the objectives and benefits it is aiming to achieve.

Applicants will be notified once applications have been received by the department and can expect to receive further updates once the application window has closed. Assessment of applications will only begin once the application window has closed.

The department reserves the right to amend the enclosed public facing documents at any time prior to the closing of the bid window. Any such amendment will be numbered, dated and issued on gov.uk. Where amendments are significant, the department may, at its discretion, extend the deadline for receipt of applications.

Application Cost Liability

The department will not be responsible for any costs incurred in the preparation of any application, whether successful or not.

Requests for Clarification

If applicants have any questions about the application and/or assessment process, should submit their questions in writing to the email: nuclearfuelfund@beis.gov.uk, clearly marked with “Request for Clarification” in the subject line, as soon as possible but no later than 16 January 2023 (12 noon). Questions submitted after this deadline may not be answered.

The department will aim to answer any questions which, in the judgement of officials, are of material significance. Answers will be publicly available through an anonymised clarification Q&A document published on gov.uk during the week commencing 23 January 2023.

If an applicant considers that their question is confidential, they should make this expressly clear in the subject title of their email. Marking a question as confidential does not mean that the department will withhold the question and response from other applicants or potential applicants; it simply means that the department may redact or edit the response, if appropriate.

The department will not provide advice on the content or structure of an application. The onus is on applicants to read and understand the requirements set out in this guidance document before submitting an application.

Documentation Required

This table is a summary and further detail on the requirements for each section is provided later in this document.

Section	Required Documentation	Evaluation Approach
A	<ul style="list-style-type: none"> Completed eligibility questionnaire on application form (Section A) 	Pass/fail
B	<ul style="list-style-type: none"> Completed information on application form (Section B) Organogram showing applicant, immediate/ultimate parent, and group structure and governance arrangements Consortia arrangements (if any), members, roles, governance arrangements, and structure Financial accounts (applicant, parent, group) and forecasts 	Not evaluated (used for due diligence and pre-award checks)
C	<ul style="list-style-type: none"> Completed proposal summary on application form (Section C) 	Not evaluated (used to cross reference with project eligibility and to provide context to assessors)

D	<ul style="list-style-type: none"> Completed applicant equalities information on application form (Section D) 	Not evaluated
E	Strategic Assessment: <ul style="list-style-type: none"> Completed application form (Section E) 	Evaluated
F	Deliverability Assessment: <ul style="list-style-type: none"> Completed application form (Section F) Project plan Risk register Organisation/team structure as part of the project resourcing plan 	Evaluated
G	Economic Assessment: <ul style="list-style-type: none"> Completed application form (Section G) Any required evidence to support value for money assessment 	Evaluated
H	<ul style="list-style-type: none"> Completed Security and Intellectual Property Protection Plan on application form (Section H) 	Not evaluated (used for due diligence and pre-award checks)
Declarations	<ul style="list-style-type: none"> Completed declarations on application form Statement of non-collusion Form of bid Conflict of interest 	Pass/fail

The onus will be on applicants to provide all the required information and to answer all the questions in the application, in full. Applications which are incomplete or contain incorrect information may be rejected. Applications which do not pass the eligibility section will not have the rest of their proposal evaluated.

The department will accept documents in Microsoft Office or PDF document formats. Where appropriate, to complete the Deliverability assessment, applicants can provide documents in native electronic .mpp/.xer format. Images may be provided in .jpg or .png format where appropriate. Open Documents should be converted to .docx to ensure compatibility.

Stage 2: Eligibility Checks

When the application window closes, the department will undertake completeness checks on all applications to ensure that all the required information and accompanying documentation has been returned in full and that all relevant documents are accessible and legible.

All applications will initially be considered against the competition eligibility criteria. To be eligible for funding, proposals must meet *all* the following eligibility criteria. These criteria are pass/fail and if a proposal fails any criterion it will be removed from the

assessment process and the submitter notified. Applicants should self-certify that they meet the following eligibility criteria.

Applicant(s) eligibility

1. UK Based

The successful entity (i.e. a sole applicant or lead member of a consortium) which enters into a Grant Funding Agreement must be a registered company in the UK under the Companies Act 2006 (CA06). Applicants must confirm that they are already registered in the UK under the CA06, or able to make the necessary arrangements to do so by 1 May 2023, if their application is successful.

2. Offences

Applicants must confirm that neither the applicant (or each of the consortium partners if a consortium), nor any of its/their directors or officers, have been convicted of any of the offences listed under regulation 57(1) of the Public Contracts Regulations 2015. This also applies to any parent companies (as defined by section 1162 of the Companies Act 2006) of the applicant and any consortium member and to directors and officers of those parent companies.

3. Sanctions

Applicants must confirm that neither the applicant (or each of the consortium partners if a consortium), nor any of its/their directors or officers, are subject to United Nations, European Union, or United Kingdom sanctions. This also applies to any parent companies (as defined by section 1162 of the Companies Act 2006) of the applicant and any consortium member and to directors and officers of those parent companies.

4. Solvency

Applicants must confirm that the applicant (or each of the consortium partners if a consortium) is not in the situation described in Article 57(8)(b) of the Public Contracts Regulations 2015 (it is not the subject of insolvency or winding-up proceedings etc., or in any analogous situation arising from a similar procedure under the laws and regulations of any state). This also applies to any parent companies (as defined by section 1162 of the Companies Act 2006) of the applicant and any consortium member and to directors and officers of those parent companies.

Applicants should note that initial credit and financial viability checks will be carried out, with a satisfactory Parental Undertaking and Guarantee required from the ultimate parent if applicable.

5. Non-Proliferation

Applicants must confirm that the applicant (or each of the consortium partners if a consortium), and all entities in the upward group structure are associated with a country that has both signed and ratified the Treaty on the Non-Proliferation of nuclear weapons (NPT) and one of:

- a) a Voluntary Offer Agreement (VOA);
- b) a Comprehensive Safeguards Agreement (CSA);

c) a modified Small Quantities Protocol (mSQP); and
d) an Additional Protocol (AP) with the International Atomic Energy Agency (IAEA). The AP should be universal and supplementary to whichever of the three primary safeguards agreements the country has with the IAEA.

Applicants must also confirm that the applicant (or each of the consortium partners if a consortium), and all entities in the upward group structure are not associated with a country which is subject to United Nations or European Union sanctions due to infringements of the NPT, their CSA, or an associated Additional Protocol. In this context 'associated with' is defined as incorporated in, operating in, or owned (directly or indirectly) by nationals of this country.

Proposal eligibility

6. UK Benefit

The majority of the work funded must be carried out in the UK.

This is defined as over 50% by value of funded work being carried out within the UK, and / or over 50% by value of any assets being developed through the funded project, or which are being leveraged as in-kind co-investment, being licenced or located in the UK.

7. Support UK civil front-end fuel cycle capability (i.e. skills, expertise, infrastructure)

The project must support UK civil nuclear capability in one or more stages of the front-end of the fuel cycle. This is defined as activities that take place in the production of nuclear fuel for fission reactors, including conversion, enrichment, deconversion, fabrication and transport.

Proposals which aim to support the following are all out of scope of the fund:

- Mining and milling;
- Fuel cycle activities for defence purposes;
- Fuel cycle activities to support non-fission reactors;
- Fuel cycle activities which will be located outside of the UK; and
- Back-end fuel cycle activities including spent fuel storage, spent fuel transport, reprocessing and disposal.

8. Uranium fuels

The project must focus on solely uranium-based fuel products or services. Projects that focus on fuels that contain other actinides capable of supporting nuclear fission, in combination with uranium or not, are out of scope. For clarity, projects for mixed oxide fuels and fuels containing plutonium or thorium are out of scope.

9. Project end date

The project must be projected to complete, with evidence of all deliverables submitted to BEIS, by 31 March 2025.

10. Alternative Public Funding

Applicants must indicate if they, their associated entities, or their consortium partners are participating in any similar activities that are funded elsewhere by the government, and/or another public authority in the UK, and/or another government.

In particular, proposals must state whether the project deliverables are already being funded by, or are in the process of applying for funding from, other BEIS programmes, including but not limited to the Advanced Modular Reactor (AMR) Research, Development and Demonstration Programme, the Advanced Fuel Cycle Programme (AFCP), and the Future Nuclear Enabling Fund (FNEF). If a bid is successful in receiving funding from another BEIS programme, it will be removed from the running for the NFF. Further details regarding the specific eligibility of coated particle fuel (CPF) projects and the interaction between the AMR RD&D programme and the NFF are set out at p.19 of this guidance.

This criterion does not exclude a single entity from proposing multiple projects, either for the Nuclear Fuel Fund or another BEIS programme. If a single entity wishes to propose multiple discrete projects, each should be submitted as a separate bid.

11. Eligible project costs

Project costs must be eligible under capital spend requirements. Eligibility requirements for costs are detailed in the table below. The department will expect to see detailed underlying assumptions for all costs and explanations of how and why they are eligible. The department reserves the right to ask for costs it deems ineligible to be removed from project costs.

Eligibility Criterion	Description
Fair market value	Costs must be at 'fair market value'. Profit must not be included (including profit within labour costs).
Directly attributable	Costs must be directly attributable to the project.
Capital expenditure	Costs must be capable of being capitalised and/or treated as capital expenditure in line with the Consolidated Budgeting Guidance ² . If proposals relate to a development, demonstration, or 'scale up' project, applicants should confirm that their fuel production process or technology is already at a minimum technology readiness level of 4 or above ³ .
Grant period	Costs must be both incurred and defrayed within the grant period (from grant award date to 31 March 2025).
International accounting standards	Costs must be as detailed by UK FRS 102 ⁴ and/or international accounting and financial reporting standards

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/969175/2021-22_CBG_For_Publication.pdf

³ <https://beta.ukri.org/councils/stfc/guidance-for-applicants/check-if-youre-eligible-for-funding/eligibility-of-technology-readiness-levels-trl/>

⁴ <https://www.frc.org.uk/accountants/accounting-and-reporting-policy/uk-accounting-standards/standards-in-issue/frs-102-the-financial-reporting-standard-applicabl>

12. Cost limits

The proposed project must be within the specified cost limits for funding. BEIS intends to fund multiple projects through the Nuclear Fuel Fund. The minimum grant per project is £1m; based on evidence from the RFI, BEIS suggests a maximum individual grant size of £30m. Bidders should also note that there is limited flexibility anticipated for reprofiling spend across different financial years, and that proposals with a highly 'back-loaded' spend profile may be at a disadvantage as NFF funding is equally split over FY 23/24 and FY 24/25.

13. Additionality

Proposals must provide strong evidence that the project would not be taken forward, or would be taken forwards at a much slower rate, without NFF funding. This evidence can be provided in Annex C – NFF Application form Section G.

14. Finance

Proposals must specify the total cost of the project, the amount of co-investment and other sources of finance being secured or sought for the project, and the amount being sought as a grant. The match funding requirement is a minimum of 50%. Match funding must be for capital spend (or sweat equity for public bodies/universities), and must at least match the funding requested from BEIS for the project deliverables until March 2025. The project may be an initial stage in planned further work beyond March 2025; the match funding requirement only applies to the project work that would be supported by NFF up to this point. Proposals without sources of matched funding will not be evaluated further.

15. Terms and Conditions

Applicants (and relevant consortia partners/sub-contractors) must agree to standard grant terms and conditions (Annex F – Example BEIS Grant Terms and Conditions).

Self-certification

Each applicant's responses to Section A (Eligibility Checks) will also be cross-referenced to Section C (Project Summary). If applicants have self-certified that the project meets the eligibility criteria, but this cross-check leads the department's assessors to believe that a project is not eligible, it may be excluded from further evaluation.

Stage 3: Evaluation

Eligible proposals will be evaluated against a set of pre-defined criteria comprising three broad assessment strands – strategic, deliverability and economic. Each strand is made up of a set of criteria.

For the strategic and deliverability assessments, eligible proposals will be assessed and scored from 1-10 against each of the criterion. Each of these criteria have sub-criteria to indicate what the assessment panel will consider in awarding scores. To achieve the highest scores, proposals must provide high quality responses that fully answer all parts of the criterion (i.e. which addresses all the sub-criteria), are highly detailed and fully evidenced, and justify any claims or assertions made. Eligible proposals will also be put through an economic assessment, comprised of a single criterion – Value for Money. This assessment will be conducted separately to the other strands using a separate spreadsheet (Annex C - Nuclear Fuel Fund – Application Form Section G). A more detailed breakdown of the evidence required to meet each criterion, as well as a list of any specific supporting documentation required, is detailed in the relevant sections below.

Score	Completeness	Level of detail	Evidence/justification
1	Not answered	Superficial	Not evidenced/justified
2	Major omissions	Superficial	Lacking evidence/justification
3	Significant omissions	Superficial	Lacking evidence/justification
4	Significant omissions	Superficial	Partially evidenced/justified
5	Significant omissions	Reasonably detailed	Partially evidenced/justified
6	Minor omissions	Reasonably detailed	Partially evidenced/justified
7	Minor omissions	Reasonably detailed	Mostly evidenced/justified
8	No omissions	Reasonably detailed	Mostly evidenced/justified
9	No omissions	Very detailed	Mostly evidenced/justified
10	No omissions	Very detailed	Fully evidenced/justified

Assessments will be carried out by government officials or by third-party contractors appointed by the department with relevant expertise. The scores for each assessment will be moderated by a panel chaired by a government official. Proposals that score above a minimum threshold, in each criterion and overall, will be ranked for consideration for funding.

Before making a final decision, the department may, at its discretion, contact applicants directly to request clarification on the information provided in their applications. It remains the responsibility of the applicant to ensure that all required information and documentation are included in the relevant section of the application. Assessors will not cross-reference other parts of the application when assessing against each criterion, and applicants should assume that their proposal will be assessed by multiple different evaluators. Applicants will typically be given no longer than five working days to respond to requests for clarification.

1. Strategic Assessment (40%)

The objective of the strategic assessment is to ensure that the proposal contributes to the government's overall strategic objectives on nuclear fuel and the UK's wider nuclear ambitions.

The strategic assessment will be comprised of four sub-criteria:

a. Commercial viability

Proposals must demonstrate that there is a market demand (in the UK or internationally) for the nuclear fuel product or service that the project aims to develop or deploy. Proposals will be scored on their ability to demonstrate the technological maturity of the product or service, key timescales and dependencies relevant to the ultimate commercialisation of the product or service and how NFF funding would enable or hasten this. Proposals must justify why the specific amount of grant funding is required, and whether successful deployment of this project would trigger further investment or achieve commercial contracts.

b. Energy security

Proposals must demonstrate how the project supports the UK's energy security and nuclear energy ambitions, as detailed in the British Energy Security Strategy⁵. Proposals will be scored on whether the fuel project will support reactors or reactor types that are currently operational or likely to be deployed in the UK in the near-medium term, and/or how well the project would contribute to UK energy security ambitions through fuel supply to overseas reactors.

c. Capability

Proposals must demonstrate how the project strengthens the UK's front-end fuel cycle capability including how it will support the UK supply chain to supply new fuel products/services, protect critical skills and help to create lasting employment opportunities in the UK nuclear fuel sector. Applicants should not propose projects that support their business-as-usual activities without sufficient justification as to why funding is needed to either preserve a capability which is otherwise at risk of being lost or to enable the development of new capabilities.

d. Social value

Proposals must demonstrate how the project supports employment and equality in the UK. Proposals will be scored on the social, environmental and economic impact of the project.

2. Deliverability assessment (30%)

The objective of the deliverability assessment is to examine the deliverability of applications.

⁵https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1067835/britis-h-energy-security-strategy-web.pdf

The deliverability assessment will be comprised of four sub-criteria:

a. Project execution plan

Proposals will be scored on the suitability and credibility of the project delivery schedule, milestones, deliverables and processes for governance and project management.

b. Risk management

Proposals will be scored on the level of project risk and the proposed mitigation approach, as well as the quality of supporting evidence.

c. Resourcing

Proposals will be scored on the qualifications and expertise of the project team as well as the project team's access to cross-functional expertise.

d. Radioactive waste, nuclear material and decommissioning plans

Proposals will be scored on the suitability and credibility of their plan to manage any nuclear materials and/or waste streams produced as a result of the project, in line with UK policy.

3. Economic assessment (30%)

The objective of the economic assessment is to evaluate the Value for Money of the application and maximise benefits and co-investment.

The economic assessment comprises of one criterion:

a. Value for Money

Proposals will be scored on the Value for Money presented for the project, which takes into account the breakdown of eligible cost schedule, cost justifications, benefits and assumptions.

This criterion will be assessed through a separate spreadsheet (Annex C - Nuclear Fuel Fund – Application Form Section G) and will be evaluated by a different team to those conducting the strategic and deliverability assessments. Applicants should ensure there is no cross-referencing required between Section G of the application and the other materials provided. A workshop on how applicants should complete the spreadsheet for Section G will be run in January; please email nuclearfuelfund@beis.gov.uk for details.

Stage 4: Portfolio Assessment

The department reserves the right to take a ‘portfolio approach’ to the awarding of funding i.e. to ensure that a balanced portfolio of different fuel products and services are supported by the fund.

Once eligible bids have been evaluated by the panel, they will be scored and ranked. A separate panel will then be responsible for assessing the proposals to determine whether a suitable portfolio has been selected and will retain the right to override the order of ranked proposals if appropriate.

The department has set parameters to guide the use of the portfolio approach. The portfolio approach will therefore only be enacted where portfolio decisions could drive diversity in the types of fuel products/services which are supported. The intention of this is to ensure that, where possible, the portfolio of projects supported by the fund maximises Value for Money and helps to progress the establishment of a diverse range of capabilities which can best meet the likely diversity of future fuel demand.

To further aid the panel, and potential applicants, BEIS has identified four categories of fuel products/services where BEIS wishes to target funding, which are set out in the table below. These categories have been chosen based on an assessment of future fuel demand in the UK and overseas and of project types which could most benefit from HMG funding to overcome a market barrier. This assessment drew on responses to the RFI and was conducted with the technical support of the Nuclear Innovation and Research Office.

Category	Description	Indicative Scope
Light Water Reactor (LWR) Fuels	This category covers projects which support the establishment of capabilities to supply fuel for LWRs. LWRs are the primary technology for large-scale GWe nuclear reactors in operation globally today and are likely to comprise a significant proportion of the UK’s future nuclear generation capacity. SMRs currently in development are also being designed to use LWR fuel, and it is therefore important the UK continues to strengthen its capabilities in this area. Globally, new fuel technologies are being considered that offer the potential to enhance safety at nuclear power plants by offering better performance during normal operation and accident scenarios; developing capability in the UK for	<ul style="list-style-type: none"> • Activities related to production of LWR fuels and / or intermediary uranium products for use in production of LWR fuels. • Activities related to the development and/or commercialisation of ‘Accident Tolerant’ Fuel (ATF) technology (e.g., fuel enhancement via enrichment, coatings, chemical composition) for LWRs • Production of, and related enabling activities (e.g., transport, licencing), Enriched Uranium Product up to 10% U₂₃₅ • Licensing and regulation for LWR fuel production activities

	these so-called “Accident Tolerant” fuels may enable energy security.	
High Assay Low Enriched Uranium (HALEU) Supply Chain	This category would support projects which aim to develop capabilities to produce and handle HALEU product in the UK. RFI responses repeatedly identified the lack of a secure, commercial HALEU supply as a critical capability gap, and a barrier to investment in the commercialisation of AMRs globally. The UK has existing enrichment capability and is well placed to become a world leader in HALEU production and related services.	<ul style="list-style-type: none"> • HALEU (up to 19.75% U₂₃₅) production • HALEU deconversion • HALEU transport • HALEU storage • Licensing and regulation for HALEU activities
Advanced Fuel Fabrication	This category would support projects which facilitate the development of fabrication capabilities for fuels for AMRs. AMRs will require fuels which necessitate new fuel fabrication capabilities, many of which are not yet in commercial operation globally.	<ul style="list-style-type: none"> • Activities for development or commercialisation of fabrication of fuels for AMRs (n.b. only uranium fuels will be eligible for NFF funding) • Licensing and regulation for advanced fuel capabilities <p>Note: BEIS is currently considering research and development (R&D) for CPF in the UK via the fuels portion of the AMR RD&D Programme. Further information will be shared in due course. To avoid duplication of funded work in relation to CPF, only projects which support the commercial deployment (i.e. for a multi-tonne/year plant) of CPF in the UK will be considered eligible for NFF support. Alongside that stipulation, funded activities must also be at TRL 4 or above.</p> <p>The NFF will not fund specific project deliverables already being funded by the AMR RD&D Programme Phase A. BEIS also reserves the right to</p>

		disqualify a proposal put forward under the NFF should BEIS deem it to be duplicative of other work due to be funded under subsequent phases of the AMR RD&D programme, or other BEIS programmes.
Enabling UK Fuel Production Capabilities	It is anticipated that this category will cover cross-cutting ‘market defined’ projects which support and/or enable the broader UK front-end fuel cycle capability in the near term. This category also leaves space for the market to put forward projects it believes meet fund objectives, but which do not fall into scope of the other three categories.	<ul style="list-style-type: none"> • Market defined

These categories are provided only to give an indication as to the types of projects BEIS would like to support to progress a suitable portfolio of projects. All proposals put forward for funding which are eligible, and which meet the minimum score at evaluation stage, will be considered for funding. Projects listed under ‘Indicative Scope’ in the table above are examples only. BEIS is not committed to funding all of these areas, and it is not an exhaustive list of all eligible projects.

The portfolio approach may also take account of the need to fund a portfolio of projects which fit into the available spend profile – broadly evenly split across FY23/24 and FY24/25. Proposals which heavily front-load or back-end their spend profile may therefore be at a disadvantage.

Stages 5 and 6: Final Decisions on Award

Decision on successful applicants

After the conclusion of the eligibility checks, evaluation, subsidy control assessments, PSED consideration and – if enacted – the portfolio assessment, senior officials will be presented with the full results of all assessments and considerations to make a final decision regarding successful applicants.

Notification of applicants

Applicants will be informed by email as to whether their application has passed the evaluation stage. An application being successful at this stage does not constitute an offer of grant funding, which will be subject to internal government assurance and approvals processes and due diligence.

Applicants must not publish any outcomes of the assessment process without the department's express permission. Where an applicant does so, it may jeopardise their continued role in the process and the department reserves the right to disqualify or reject any applicant that breaches this requirement.

Internal government assurance and approvals processes

Prior to the grant offer stage, successful applications will be subject to internal government assurance and approvals processes, which include the final approval of a Full Business Case. Further information may be requested from applicants to support these processes.

Senior officials will then make a recommendation to Ministers on which projects to award funding. Ministers will make the final decision on which applications are offered grant funding.

Due diligence

Prior to the grant offer stage, the department will conduct financial and organisational due diligence checks on successful applicants and applications. Successful applications are subject to a further in-depth appraisal or due diligence. The purpose of this due diligence exercise includes, but is not limited to, confirmation of:

- The final amount of the award which will be subject to the evidence you provide and will be the minimum necessary for the project to proceed
- The support being compatible with relevant subsidy control regulations in place at the location of your project
- The existence of a financially and business credible alternative option (or counterfactual argument) and case for assistance
- The deliverability of project investment and employment outputs as set out in the application form
- The sources and uses of Project funding

- The satisfactory financial standing of you, the applying company, and of your Parent company (if you have one), their ability to finance the project, and to provide a satisfactory Parental Undertaking and Guarantee.

The specific scope of the due diligence is determined on a case by case basis and the speed at which the due diligence can proceed is largely determined by applicant's ability to provide BEIS with the required information and detail.

Successful applicants will be required to provide additional information (examples of which are below) when contacted by the department, and/or to clarify material provided in the bid proposal. Applicants must be willing to dedicate sufficient resource to assist in completing this process. Applicants will need to provide full returns to requests for information for this process within five working days of receiving requests.

The department reserves the right to reject applications if the requirements of the due diligence checks are not met or if the checks identify any discrepancies with the information provided that are deemed unacceptable. The department may also decide against awarding funding, or suspend grant payments, if the department deems that applicants have failed to meet the requirements of a funding agreement for a current or previous public funding award.

Below is an example of the types of information you will be required to submit as part of the due diligence process. This is not exhaustive.

Capital investment deliverables

- Detailed analysis of project costs
- Supporting evidence for costs/estimates used including third party evidence if available (e.g. supplier quotes)
- Evidence that capitalisation of these costs is consistent with the company's accounting policies and practices
- Actual historical cost data for past capital investment projects that involved similar capex.

Board minutes

Board minutes that demonstrate:

- The approval of the capital investment project (subject to grant approval).

Accounting and investment policies

Details of the company accounting policies for PPE and investment appraisal framework. These should detail:

- Depreciation.
- Useful economic life of PPE assets, including those associated with the capital investment project.
- Investment appraisal framework (which is consistent with that per the group if applicable).
- Capital expenditure policy.

Alternative investment decision in absence of grant funding

Explanation and underlying rationale for any alternative capital investment decision that would be made in the absence of grant funding. These could include:

- Whether the capital investment would go ahead without public support.
- Whether the capital investment would go ahead with other public support.
- Whether the capital investment would go ahead outside of the UK.
- Whether the capital investment would go ahead in another part of the UK.
- Whether the capital investment would go ahead on a reduced scale (please specify the level of reduction and why).
- Whether the capital investment would go ahead on a slower timescale (please specify the length of the delay and why).

Financial information deliverables

Cashflow and financial forecasts

Cashflow/working capital and financial forecasts that demonstrate:

- Viability of the project
- Working capital and funding requirements over the project life along with confirmation of how these will be funded
- The gap in project funding that will met by the grant amount being applied for and the period of time in which the grant funding is required.
- Details of what costs the grant will be used for to ensure the viability of the project e.g. purchase of equipment.

It should be noted that the forecasting should take account for variables such as inflation.

Investment appraisal model

Model that has been used to demonstrate the viability of the investment e.g. NPV calculation, IRR etc. If applicable there should be evidence that demonstrates the investment appraisal methodology is in line with group processes and methodologies.

FX rates (if applicable)

Details of FX rates used in the project forecasting and demonstration that these are consistent with those used at group level (if applicable).

Information on historical forecasting accuracy

Evidence on the reliability of previous forecasts on similar projects.

Other

Employment Outputs (If applicable)

Payroll records to evidence the baseline starting jobs at the premises as at the date of the application and at the time of Due Diligence);

Grant offer letter and grant funding agreement

If the results of the assessment, internal government approvals processes and due diligence are satisfactory, applicants will be issued a grant offer letter including standard terms and conditions. This must be signed and returned to the department. It should be signed and returned quickly within five working days of receipt. Applicants must ensure compliance with conditions contained in the offer letter and agreement to receive grant funding.

The grant offer letter will be drafted in line with standard departmental grant offer letter and terms and conditions, modelled on the Cabinet Office's Guidance for General Grants⁶. The terms of the grant offer letter are not negotiable. The department reserves the right to adapt the terms of the offer letter and agreement in respect of the relevant project.

In the event an applicant refuses to agree to the terms of the offer letter or unduly delays the process, the department reserves the right to withdraw the offer letter. In this circumstance, the application will be deemed to have been disqualified from the process.

The agreement to make an offer to an applicant will be taken by the relevant senior officials and/or ministers, taking account of all relevant matters in respect of an application and all other relevant matters, including compliance with government's strategic objectives. Senior officials and/or ministers will retain full discretion in whether, and what, offers of public funds they make to applicants, taking into account all the factors outlined in this document.

Publication of successful projects

At the end of the application and assessment process and upon signing of the Grant Offer Letter, BEIS may communicate which projects have been successful through media engagement, issuance of a press release or publication notice on gov.uk. Some organisations may want the detail of their projects to remain confidential and applicants will be given a chance to opt out of any involvement in media relations activity should they see this as being absolutely necessary.

Please note that there will be an embargo placed upon the details of successful projects until BEIS has made the formal grant award announcement.

The department also expects that all awards from the fund will need to be published on the subsidy transparency database. It is not possible to opt out of this. Details may include:

- a) the identity of the applicant and its partners;
- b) project summary information including aims and expected outcomes of the project, long-term project and technology area; and
- c) total award value.

⁶https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1014034/2021-08-27_Grants-Standard-SIX-Grant-Agreements.pdf.

Post-award monitoring process

Monitoring and evaluation activities of those projects receiving grant funding will be undertaken during the grant period (from initial disbursement of funds to 31 March 2025). Each grant funded project will have a monitoring officer allocated by the department and be required to undertake regular, likely monthly, project reporting, to which the department will have access.

BEIS will monitor delivery of the project to ensure compliance with the grant offer letter and progress against the output indicators throughout the monitoring period. This will include grant claims, reviewing evidence of defrayed expenditure and ensuring compliance with subsidy control requirements. Monitoring will also include regular site visits and monitoring information (including data on expenditure, progress towards FID; jobs, supply chain engagement, co-investment achieved) will be recorded on a centralised, web-based Management Information System.

The department will agree core compliance indicators with each successful applicant. These will be based on the individual objectives of each project and may therefore vary for each successful applicant.

Payments

Payments will be made quarterly, in arrears, throughout the lifetime of the project, in line with Schedules in the grant offer letter and terms and conditions.

Important information for applicants

Applications from Consortia

In the case of an application from a consortium, only one application covering all consortium partners is required. The application must outline:

- a) which consortium partner is the lead applicant; and
- b) the proposed role that each consortium partner will play in the executing the project.

Applications should set out the organisation and governance of the consortium.

It is anticipated that the department will only contract with the lead applicant of a consortium, with the lead applicant responsible for the dispersal of funds, management of consortium partners and recovery of any misused funds by any consortium partners. The lead applicant should therefore be of suitable size and capability to represent a viable entity to lead on projects. Arrangements for match funding across a consortium should be managed internally between members of the consortium. Each member may provide a different proportion of the total, but the total provided should meet the minimum 50% co-investment requirement (see below).

The department recognises that arrangements in relation to consortia may (within limits) be subject to future change. Applicants should therefore set out arrangements as currently envisaged. Applicants should note that, should they be successful in applying for funding as the lead applicant of a consortium, any future proposed change in relation to membership of that consortium must be submitted to the department for approval, and the amount committed to co-investment will need to be met even if consortia arrangements change. International organisations can be part of a consortium, but the lead applicant should be UK based.

Please note that where this guidance document refers to 'the applicant', this also applies to the lead applicant of a consortium.

Subsidy intensity

Subsidy intensity is the proportion of a proposal's eligible costs that government grant funding may cover. It is the maximum amount of funding that can be applied for. The subsidy intensity for the fund is 50%. This means that the department expects applicants to contribute to at least 50% of project costs and would also apply to public sector/universities' co-investment as cash or sweat equity. The option to match funding through sweat equity is only available to public institutions. Co-investment above the minimum 50% will contribute favourably to the value for money assessment process.

Additionally, the amount of funding sought must be an accurate representation of the funding requirement for the relevant project and the figure must be the minimum necessary to bring the project forward. Applying for greater funding than the minimum necessary to bring the project forward will negatively impact the assessment of an application and may lead to a proposal being unsuccessful. If the department

determines that applicants have requested more funding than required, applicants will be offered a lower grant amount if the application is successful.

The department will not negotiate the grant offer.

Subsidy control assessment

Compliance with subsidy control is an important part of the assessment process and will be taken into account at all of the assessment stages.

The fund will support successful applicants through subsidies awarded in the form of grants towards the eligible costs of the proposal. Since 1 January 2021, public authorities must comply with our international commitments on subsidies in the UK-EU Trade and Cooperation Agreement⁷, and other trade agreements, as well as the WTO rules on subsidies⁸. Subsidy rules dictate the types of costs for which applicants can claim grant support.

The onus of conducting a subsidy control assessment is on the department, not the applicant. As such, **applicants will not be required to submit additional information to form the subsidy control assessment**. However, applicants should note that Grant Awards made will comply with the UK-EU Trade and Cooperation Agreement (TCA) Principles, and notification will be made to the UK subsidy transparency database and published on the UK transparency database. All awards from the Scheme over £500k, or under £100k after January 2023, will be published on the UK transparency database.

Any proposed awards which are within scope of the Northern Ireland Protocol will be separately considered under State Aid rules including whether they are within scope of the General Block Exemption Regulation.

Public Sector Equalities Duty assessment

To fulfil requirements of the Equality Act (2010), the department is required to have due regard to the Public Sector Equality Duty (PSED). This includes having due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010;
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Protected characteristics include:

- a) age;
- b) disability;
- c) gender reassignment;

⁷ <https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

⁸ https://www.wto.org/english/docs_e/legal_e/24-scm.pdf

- d) marriage and civil partnership;
- e) pregnancy and maternity;
- f) race;
- g) religion or belief;
- h) sex; and
- i) sexual orientation.

As part of their application, applicants are asked to demonstrate how their project would support the three aims of the PSED outlined above. The onus of conducting a PSED assessment is on the department, not the applicant. Applicants will therefore not be scored against the above information they provide for the PSED; the information will only be used by the department to consider how each proposal interacts with the three aims. However, it is not optional for applicants to complete the PSED section of the application and applicants are required to provide the information requested unless there are legal restrictions on the applicant's collection of the requested data.

Terms and conditions

Standard terms and conditions

As with the grant offer letter and agreement, the terms and conditions for awards from the fund will be drafted in line with the standard departmental terms and conditions, modelled on the Cabinet Office's 'Guidance for General Grants'. The standard terms and conditions are non-negotiable. The department reserves the right to adapt the terms and conditions in respect of the relevant project.

The full standard terms and conditions for grant award are set out in Annex F – Example BEIS Terms and Conditions

Parental undertaking and guarantee

Where applicants have a parent company, if successful they will be asked to provide a parental undertaking and guarantee from their ultimate parent company (as determined by the department). We may also consider other arrangements as necessary. Further information will be provided to successful applicants at the due diligence stage.

The department will review the financial viability of the relevant parent company and run checks on that parent company. Failure to provide such a guarantee or information in respect of a relevant parent company may result in an applicant not being made an offer of grant funding.

Suitable governance arrangements will need to be in place with all consortium partners involved in an application, if applicable. This will need to be underpinned by suitable legal and collaboration arrangements.

Intellectual property rights

The proposed arrangement for intellectual property rights is set out in Annex F – Example BEIS Terms and Conditions.

As per these conditions, the output of the project in receipt of grant funding will be the property of the grant recipient, with the grant recipient granting the Secretary of State a non-exclusive irrevocable and royalty-free, sub-licensable, worldwide licence to use all the intellectual property material for the purpose of supporting the funded activities and other projects.

Costs associated with securing intellectual property arising from or associated with the project will not be eligible for reimbursement.

Privacy notice

The department's privacy notice can be found in Annex D – NFF Privacy Notice. Applicants should confirm in Annex A - Nuclear Fuel Fund – Application Form Sections A, B, and Declarations that they agree with the privacy notice.

Information disclosure

All information provided as part of an application, including personal information, may be disclosed in accordance with any applicable law (including the Freedom of Information Act 2000 and the Environmental Regulations Law 2004), by order of a court or as required by any body or inquiry which has the power to compel disclosure.

The department will process personal data in accordance with all applicable data protection. If applicants want the information provided as part of their applications to be treated as confidential, they should inform the department, but be aware that the department cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by an applicant's IT system will not be regarded by the department as a confidentiality request.

Where any request is made to the department under the Freedom of Information Act 2000 for the release of information relating to any applicant or application, which would otherwise be reasonably regarded as confidential information, the department will notify applicants of the request as soon as reasonably able to. Applicants must acknowledge that any information or data that they deem confidential or commercially sensitive are of indicative value only and that the department may nevertheless be obliged to disclose information which applicants consider confidential.

Applications will be assessed by government officials or by contracted delivery partners. All assessors will adhere to confidentiality requirements and must declare any potential conflicts of interest. They will treat applications in the strictest of confidence and adhere to relevant data protection rules. The department will not disclose the names of assessors to applicants.

Non-disclosure agreements

The department will not, at this time, enter into non-disclosure agreements with applicants in relation to their applications or projects. Successful applicants to the fund with existing non-disclosure agreements must agree to waive all duties, obligations, commitments, undertakings, guarantees, warranties and liabilities owed or given by the department or the Secretary of State under any such non-disclosure agreements in respect of the publication requirements set out in this guidance document.

Reserved rights

Cancelling the fund

The department reserves the right to withdraw or amend the scope of the fund without notice at any time and will not be liable for any costs incurred by applicants during any stage of the process and the right to redesign the fund.

National security

HMG reserve the right to disqualify any bid for a project that would in any way present a security concern to the United Kingdom. The Main Contractor / Lead Organisation and sub-contractors must be associated with a country that is party to the Treaty on Non-proliferation of nuclear weapons, and have signed and ratified either a Voluntary Offer Agreement or a Comprehensive Safeguards Agreement, and a Small Quantities Protocol, or an Additional Protocol with the International Atomic Energy Agency. Main contractor / Lead Organisation and sub-contractors must not be associated with a country that has been sanctioned for any reason including for infringement of any of the above.

Applications in scope of the Northern Ireland Protocol

Applicants will be subject to Article 10 of the Northern Ireland Protocol (NIP) to the UK/EU Withdrawal Agreement⁹ if they are conducting activities that affect trade in goods or electricity between Northern Ireland and the European Union as envisaged by Article 10 of the Protocol. This is most likely to apply to applicants and partner organisations based in Northern Ireland, but in limited circumstances may also affect those in England, Scotland, Wales and those based internationally.

Applicants must answer some questions as part of their application (in Section B), that will help the department determine whether they are likely to be subject to Article 10 of the NIP. The questionnaire has a yes / no format and applicants should consider the activities of their business in its entirety and project partners when answering. If an applicant's response to the questionnaire indicates that they are in scope of the NIP, the department will ask further questions. These additional questions will differ according to the location of businesses.

If an application is successful and the department determines that this application engages Article 10 of the NIP, the department will engage with the applicant prior to issuing a grant offer letter to ensure that any grant offered is compliant with the department's state aid obligations under Article 10. Mitigations to an application falling within scope of Article 10 of the NIP could include the application of the General Block Exemption Regulation¹⁰, exploring opportunities to eliminate cross-subsidies to Northern Ireland by requiring applicants to ringfence subsidised activities as a condition of the grant award, or making a formal state aid notification to the European Commission.

⁹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/840230/Revised_Protocol_to_the_Withdrawal_Agreement.pdf

¹⁰ https://ec.europa.eu/competition/state_aid/legislation/gber_regulation_en.pdf

Detailed information requirements by section

Applicants should take note of the page limits for each section. Submissions should use Arial in size 10 font. Proposals that alter the margins or other formatting of the applicant form may be disqualified. Assessors will ignore any text which exceeds the page limit for each section.

Applicants should remember that different sections may be evaluated by different assessors, and answers to each section should stand alone and not require cross-referencing unless otherwise specified.

Section A: Eligibility

Applicants must complete and return the Eligibility Checklist in the “Nuclear Fuel Fund – Application Form Sections A, B and Declarations” template.

Applicants must agree with the department’s privacy notice and confirm eligibility to apply for the fund.

Applicants or proposals which fail any of the eligibility checks will not be evaluated further.

Section B: Applicant structure and governance, consortia arrangements, and financial information

Applicants must provide the information set out below on the structure and governance of the applicant and on all consortium partners, where a consortium exists. The applicant is not required to provide details for the entire supply chain. Information should be provided in the Annex A – Nuclear Fuel Fund – Application Form Sections A, B, and Declarations template.

The applicant should engage with the department if any confusion arises on the scope of this section.

Applicants must provide the following information:

- a) full name of the organisation;
- b) company/organisation;
- c) UK company registration number (if applicable);
- d) registered address;
- e) company website;
- f) company NACE code (NACE refers to the European Classification of Economic Activities¹¹);
- g) total number of FTE employed by the applicant (please see below for the definition of FTE); and

¹¹ For further guidance on NACE, please see [NACE Rev.2](#). You can search for your company’s NACE code on [Eurostat](#).

If the applicant or consortium member has a parent company¹², the applicant must provide the following information:

- a) name of the applicant or consortium member's parent company;
- b) the country the parent company is incorporated in;
- c) registered address of the parent company;
- d) parent company NACE code;
- e) main business activity of parent company;
- f) information on whether the applicant has an ultimate parent company that is different to the immediate parent company;
- g) confirmation that the ultimate parent company can sign a reasonable parental undertaking and guarantee or a bank guarantee and if the answer to this question is 'no' please provide rationale as to why a reasonable guarantee cannot be signed by the ultimate parent company.

The applicant must state how many people are employed in the entire Group. This information is required from all consortium partners as well. FTE refers to the number of Full Time Equivalent employees (FTE). Please note an FTE job is one of 30 or more hours per week. If the role requires any additional hours this still only counts as 1 FTE. Two part time jobs of 15 hours or more count as equivalent to one full time job. Any part time jobs of 15 hours up to 30 hours should be stated as 0.5 of an FTE.

Applicants must provide a group structure or organisational chart showing the relationship between the company, and the other companies within their group/structure, including their immediate and ultimate parent company (if this is different). The chart should provide the following:

- a) the full name of all entities and individuals present in the upward group structure. This includes the names of all intermediary companies and nominees (if applicable) leading up to the ultimate beneficial owners, including country of registration and registration number (for non-UK entities).
- b) details of voting control where this does not align to equity stake – for example, where different share classes exist, these should be stated together with associated voting control details.
- c) the full breakdown of all share capital, including all share classes (this should total 100% at each level of the structure).
- d) subsidiary companies of the applicant (as defined in section 1159 of the Companies Act 2006) that are pertinent to the application.

This information should be provided for each member of a consortium.

Applicants provide the project director's contact details, including their name, telephone number and email address. Applicants must also provide the same details

¹² A parent company in this context means the company in relation to the applicant and/or consortium partner: i) which holds a majority of the voting rights in the applicant or consortium partner, or ii) is a member and has the right to appoint or remove a majority of the board of directors of the applicant or consortium member, respectively, or iii) is a member and controls alone, pursuant to an agreement with other members, a majority of the voting rights in the applicant or consortium partners.

for a lead contact as well as an alternative contact in the event that the lead contact is unavailable.

If the applicant is a consortium, they must outline the membership and roles of each member in the consortium. They must indicate who in the consortium is authorised to be the lead contact, and the organisational and governance arrangements associated with that consortium. Please include the proposed role that each partner will play in the project and subsequently in the UK nuclear market should the applicant be successful in receiving an award from the fund.

Applicants must provide information on whether the applicant or members of the consortium has received other public sector funding in the last three years including the following:

- a) details on the name of fund or scheme that provided the funding;
- b) the name of the body or government department that awarded the funding;
- c) how much funding was awarded;
- d) when the award was made; and
- e) any existing conditions from this award that you are still committed to.

Applicants are also required to answer questions relating to the Northern Ireland Protocol in this section.

Applicants should provide financial accounts for the applicant company the immediate parent (if applicable) and the group (if applicable) for the past two years. Applicants should also provide a financial forecast for the current financial year and subsequent four years for the applicant company. This should be provided for each member of a consortium.

This section will not be evaluated but will be used to support initial credit and financial viability checks, and more detailed due diligence and pre-award checks if the project is successful.

Section C: Project summary

Applicants must provide a summary description of no more than three pages of the project for which they are applying for funding. This should include details on how much funding is being applied for and how this will be broken down over the two-year time frame, as well as the high-level rationale for this sum. This summary will not be evaluated but:

- will be used to cross-reference with section A and confirm project eligibility;
- will support assessors to understand the context and aims of the project before evaluating the detailed answers in sections E, F, and G; and
- may be used to enable assessors to identify which (if any) of the portfolio categories the project most closely matches.

Information should be provided under the heading 'Section C: Project summary'.

Section D: Applicant Equalities Information

Applicants must provide the information set out below to support the department in having due regard to our PSED duty. Information should be provided under the heading 'Section D: applicant equalities information'.

Applicants must provide the following information:

- a) a complete breakdown of the applicant's, and consortium partners', if applicable, workforce for each protected characteristic outlined above;
- b) supporting information, such as the applicant's, and consortium partners', if applicable, company equality, diversity and inclusion policies, commitments and targets, can also be included as annexes and uploaded to the Applicant Portal under the same heading;
- c) an explanation of how the proposal could benefit or disadvantage each group of people with protected characteristics, including mitigations if a disadvantage is identified;
- d) a demonstration of how the applicant and consortium partners, if applicable, will ensure their approach to equality and diversity is sufficiently robust to prevent discrimination, advance equality of opportunity amongst those with and without protected characteristics and foster good relations between those with and without protected characteristics;
- e) an estimate of how many jobs this project will support, and the breakdown of these by protected characteristic; and
- f) any information applicants can provide regarding the impact the proposal may have on the three aims of the equality duty (i. eliminating discrimination, harassment and victimisation; ii. advancing equality of opportunity between those who share a protected characteristic and those who do not; and iii. fostering good relations, particularly in relation to those who share a protected characteristic and those who do not).

This section will not be evaluated, however BEIS anticipates there may be significant overlap between the content of this section and the social value criterion (E4), which will be evaluated.

Section E: Strategic Assessment

Section E1: Commercial viability

Applicants must provide a narrative return of no more than five pages describing how the proposed project will contribute to the deployment of a commercially viable fuel product or service. Information should be provided under the heading 'Section E1: commercial viability'.

To score highly, the applicant must demonstrate all of the following:

- a) Market need – the proposal should show evidence of the market need for the fuel product or service and demonstrate the likelihood that the project will attract additional investment to establish operational capabilities, for example with potential contracts, customer commitments (e.g., in the form of a memorandum of understanding), market data, analysis of global supply/demand;

- b) Additionality – the proposal should demonstrate how/why grant funding is needed at this time to overcome a market barrier, specifying why the exact amount requested is required rather than more/less;
- c) Technological readiness – the proposal should demonstrate how the project would advance the readiness of the fuel product/service for commercial deployment in the UK by March 2025.

Section E2: Energy Security

Applicants must provide a narrative return of no more than five pages describing how the proposed project will support UK energy security and UK nuclear energy ambitions. Information should be provided under the heading ‘Section E2: energy security’.

To score highly, the applicant must demonstrate all of the following:

- a) UK nuclear policy – the proposal should evidence how the project would support UK nuclear policy and ambitions via:
- b) the contribution of the project to ensuring the UK has a resilient onshore fuel supply;
- c) the contribution that the project could make to facilitating the deployment of, or ensuring a supply of fuel for, new nuclear projects (GW, SMR or AMR), to support the BESS ambition of deploying up to 24GW of nuclear capacity by 2050¹³;
- d) the contribution of the project to improving diversification of global fuel supply
- e) Where appropriate, the proposal should demonstrate that any residual security risks associated with the project can be mitigated

Section E3: Capability

Applicants must provide a narrative return of no more than five pages describing how the proposed project will develop UK front-end nuclear fuel cycle capability and support the UK nuclear fuel supply chain to deliver new fuel products and services. Information should be provided under the heading ‘Section E3: capability’.

To score highly, the applicant must demonstrate all of the following:

- a) New products/services – the proposal should demonstrate how/if the project will support the UK supply chain to deliver new products or services which are not currently deployed in the UK, or how it will enhance the strength of the UK offering for those products/services which are already deployed
- b) Skills preservation and development – the proposal should demonstrate how the project will support critical skills in nuclear fuels that are at risk of being lost and/or create and develop new skills. This should include an assessment of the number, type and longevity of jobs supported by the project (across all consortium partners)
- c) Additional benefits to UK nuclear fuel capability – the proposal should demonstrate how the project will support wider UK front-end fuel cycle capability,

¹³ This does not place or mean that there is a limit on the number of Development Consent Orders which may be granted for any energy generating infrastructure set out in the Energy National Policy Statement.

for example via improvements to facilities, knowledge and intellectual property generated, improvements to processes, etc.

Section E4: Social value

Applicants must provide a narrative return of no more than five pages describing the social, environmental and economic impact of the proposed project. Information should be provided under the heading 'Section E4: social value'.

To score highly, the applicant must demonstrate the following:

a) How well will the project deliver social value? The proposal should evidence how the project will create positive social, environmental and/or economic impacts of the project across the five HMG priority areas (Covid-19 recovery, tackling economic inequality, fighting climate change, equal opportunity and wellbeing)¹⁴.

Specific requirements will not be pre-defined. However, some suggested examples are set out below:

- creation of employment opportunities for those who face barriers to employment or are currently underrepresented in the nuclear workforce and/or who are in deprived areas or in industries with known skills shortages or high growth sectors;
- how the project will ensure the diversity and inclusivity of their workforce, as well as how to incorporate hiring practices which do not disadvantage those with protected characteristics;
- support for educational attainment of the workforce, including training schemes that address skills gaps and result in recognised qualifications (traineeships, apprenticeships, T-levels etc);
- delivery of training schemes and programmes to address any identified skills gaps and under-representation in the workforce;
- how environmental sustainability will be promoted over the project;
- impact of the project on the local environment;
- details of engagement with the local community;
- economic impact of the project on the local area and on the UK as a whole;
- impact of the project on other government priorities, such as Net Zero and Levelling Up; and
- identification of any other social benefit or impact and mitigations to cover any social impacts.

Section F: Deliverability Assessment

All of these criteria will be evaluated.

¹⁴ Further information which may be helpful can be found here:

<https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts>

Section F1: Project execution plan

Applicants must provide a narrative return of no more than ten pages detailing the approach to delivery of the proposed project. Information should be provided under the heading 'Section F1: project schedule and delivery plan'.

The applicant must demonstrate:

- a) A defined project scope with clear objectives, and benefits/deliverables that will be achieved by March 2025;
- b) a credible project plan of how this will be achieved. This can be provided as a separate Word, PDF, Excel, MS Project or other file, not subject to page limits, with the file name 'Section F1: project plan [Applicant or consortium name]'. This must include a project schedule, with workstreams and high-level milestones clearly identifiable and a more detailed task breakdown, which outlines the resource and costs of these activities;
- c) details of the governance and controls that will be followed through the project, including the process for reporting to BEIS;
- d) identification of key stakeholders and a high-level stakeholder management strategy; and
- e) key known project assumptions, dependencies and constraints.

Section F2: Risk management

Applicants must provide a narrative return of no more than five pages detailing the risk management approach to delivery of the proposed project. Information should be provided under the heading 'Section F2: Risk Management'.

The applicant must demonstrate:

- a) a risk management plan which clearly outlines the project risk process, including the how risks will be escalated to BEIS
- b) a risk register identifying the risks of the project and detailing their likelihood and severity. This can be provided as a separate Word, PDF, Excel, MS Project or other file, not subject to page limits. Information should be provided with the heading 'Section F2: Risk Register [Applicant or consortium name]'; and
- c) risk analysis and quantification carried out on key risks, including mitigations and the planned response. This can be provided either in the application form or alongside the risk register.

Section F3: Resourcing

Applicants must provide a narrative return of no more than ten pages detailing the resourcing approach to delivery of the proposed project. Information should be provided under the heading 'Section F3: Resourcing'.

The applicant must demonstrate:

- a) An Organisation Breakdown Structure of the project team, including clear team roles and responsibilities, reporting lines and relevant qualifications and expertise needed in teams. This can be provided as a separate Word, PDF, Excel, MS Project or other file, not subject to the page limits;

- b) Resource forecasting for the project, including labour, specialist or technical support, materials, equipment, facilities, admin, subcontractors, etc. for the duration of the project;
- c) Plan for the procurement of resource including defined procurement needs, contracts, budgets, measurements to judge performance and any policies and procedures;
- d) Plan to manage and control resource throughout the project.

Section F4: Radioactive waste and decommissioning plan

Applicants must provide a narrative of no more than five pages detailing the plan for managing any radioactive waste, nuclear material and decommissioning that arise as a result of the proposed project. Information should be provided under the heading 'Section F4: Radioactive waste and decommissioning plan'.

The applicant must demonstrate:

- a) an understanding of regulatory and policy aspects of radioactive waste management applicable to the deployment of the fuel product/service
- b) a credible plan to manage nuclear materials and radioactive waste streams produced in line with UK policy; and
- c) a plan to manage any novel waste streams as a result of new processes, if appropriate.

Section G: Economic assessment

This section will be evaluated.

Applicants must complete the Annex C - Nuclear Fuel Fund – Application Form Section G. Guidance on how to complete the template is included in the Excel file, and a workshop is planned for January 2023 to provide more detail on how to complete it. Please email nuclearfuelfund@beis.gov.uk for more details of the workshop. This section of the application form should be treated as a stand-alone document and should not include references to other sections of the proposal as it will be assessed separately.

Applicants must use the template to provide economic information on:

- a) project summary
- b) annual profile of expenditure
- c) itemised list of planned expenditure
- d) jobs
- e) R&D
- f) training
- g) wider benefits
- h) innovation and additionality
- i) co-investment
- j) deliverability

Applicants must provide evidence to support any numbers provided and the underpinning assumptions made. Applicants must therefore provide detailed

estimates, evidence and a narrative to justify each cost and benefit (as required in the application template). Evidence can be provided as a separate Word, PDF, Excel, MS Project or other files, not subject to page limits. It should be clearly named.

All costs, whether in respect of the project or any counterfactual, should indicate any risk factors applied and assumptions made, and should relate to the information supplied to the ultimate decision maker and the parent/group policies relating to how investment decisions are made by the organisation(s) undertaking the project.

All cost and price estimates presented in the template should be in GBP and in current 2022 prices. If converting values from another currency, applicants must provide evidence of the price/cost estimate in the original currency and supply the exchange rate used to convert the values to GBP.

Applicants must set out project risks in the 'Deliverability' worksheet as well as detail contingencies and mitigations which the applicant must account for both quantitatively and qualitatively. Applicants should also specifically address how they account for macroeconomic uncertainty, especially the potential impact of inflation on the project in the 'Itemised list of expenditure' worksheet. Inflation will likely also impact benefit estimates and this should be reflected in the 'Jobs', 'R&D details', 'Training' and 'Wider benefits' worksheets.

Applicants must include evidence to support cost and benefit estimates provided for the economic assessment. This could include but not be limited to details of the investment criteria that senior decision makers/executives will apply when making the investment decision concerning the project. Other acceptable forms of evidence could include, but are not restricted to:

- a) who the ultimate decision-makers are regarding the proposal's work programme;
- b) what information is presented to relevant decision-makers, and how a decision will be reached;
- c) the metrics that the final decision-makers will use to compare any proposed options;
- d) parent/Group policy or guidance documents relating to how investment decisions are made;
- e) any existing parent/group investment appraisal documents;
- f) extracts from Board papers/minutes where the different location options have been discussed (if this is relevant to the counterfactual);
- g) feasibility studies on the different options (internal or external) to the extent relevant to the project or the counterfactual;
- h) communications from Senior Executives to the extent relevant to the project or the counterfactual;
- i) precedents set previously with similar type/scale investment decisions; and
- j) evidence that ultimate decision makers are giving serious consideration to other options (including the option to not undertake the work).

The viability of alternative counterfactuals can be demonstrated by the following evidence:

- a) certified minutes from board-level meetings that discuss the alternative location;
- b) feasibility studies carried out by the counterfactual (or a third party);
- c) evidence of similar projects;
- d) communications from the decision-maker requesting cost reductions or directly addressing the capability of the counterfactual option; and
- e) location studies and relevant analysis feeding into board papers, etc.

Historic evidence that the metrics used for the decision-making process have been used previously by the applicant and are in line with wider company policy can help provide weight to any counterfactual and cost-gap calculation. This can come in the form of extracts from company policy or previous decisions that demonstrate the metrics and calculations reflect the applicant's standard practice.

Section H: Security and intellectual property protection plan

This section will be used to support due diligence and pre-award checks but will not be used for ranking proposals.

The applicant must provide a security plan, of no more than ten pages, detailing how they plan to comply with UK security requirements which addresses the specific security requirements and risk mitigation arising from their proposal. It should also include how security will be considered for the duration of the project to protect its key information and assets while the proposal is being developed. This should be provided under the heading 'Section H: security and intellectual property protection plan'.

The plan must include information on how the applicant (and consortium partners if applicable) will approach security, safeguards, and non-proliferation requirements and should include a plan on developing compliance with security relevant regulations and required resourcing. The plan should include how Sensitive Nuclear Information and intellectual property will be held by the applicant or consortium.

The security plan should also answer the following questions regarding export control compliance:

- a) Will any information, technology, software, or other relevant goods be exported outside of Great Britain by the applicant as part of the fund application?
- b) If so, are the items/information in the proposed export(s) found on the Nuclear Suppliers Group Trigger List therefore being subject to export control laws?
- c) If there are items/information which would require export control licensing, identify the countries of origin of the relevant technologies (other than UK).
- d) Has the applicant contacted the Export Controls Joint Unit or BEIS Non-Proliferation Unit about the proposed export associated with the fund application?
- e) Has the applicant started any export licence applications for the project?
- f) Does the applicant have any existing export licences that cover any of the proposed exports?
- g) How are issues related to Export Control currently managed by the applicant?
- h) Does the applicant have an Export Control Manager or dedicated point of contact for export control?

Nuclear Fuel Fund Application Guidance

Applicants are advised to read the ONR's Security Assessment Principles¹⁵ and consider how they plan to develop their security procedures prior to submitting an application.

¹⁵ <https://www.onr.org.uk/syaps/>

Declarations

These must be complete for a project to be evaluated. Applicants must complete all annexes included in Annex E – Other declarations and are encouraged to complete the “Completeness Check” tab on Annex A – Application form Sections A, B, and Declarations to ensure that all information required has been submitted.

Annexes

Annex A – NFF Application form Sections A, B and Declarations

Annex B – NFF Application form Sections C, D, E, F and H

Annex C – NFF Application form Section G

Annex D – NFF Privacy Notice

Annex E – Other declarations

Annex F – Example BEIS Terms and Conditions