



**Minutes of the Nuclear Decommissioning Authority (“NDA”)
Board meeting held on 19 September 2023
at Caxton House, Tothill Street, London, SW1H 9NA and TEAMS**

2.2	Conflicts of Interest	
2.2.1	The Board considered the register of interests and APPROVED that all Board Members present could participate fully in the business of the meeting. F Livens advised that he had stepped down as a director of the Dalton Nuclear Institute with effect from 1 September 2023.	
2.2.2	M Shaw reported that, following the appointment of C Train as Interim Chair, the Corporate Governance team had reviewed the appropriateness of his Committee memberships against the requirements of the UK Corporate Governance Code and had concluded that no changes to his Committee memberships were required.	
2.3	Minutes of previous meetings	
2.3.1	The Board considered the minutes of its recent meetings and sought updates on the ‘management’ actions at: <ul style="list-style-type: none"> (i) Minute 3.3.1: It was confirmed that the ONR was not expected to reference its recent correspondence regarding the role of the NDA in relation to the safety and security performance of the OpCos. (ii) Minute 6.3.1: It was noted that s.40 would provide a roundup of the conditions set by HMG in the past 12 months when approving sanction submissions and that the Board’s request for an annual roundup would be captured on the Board’s forward agenda planner. 	
2.3.2	Subject to minor amendments the Board RESOLVED TO APPROVE the minutes of the meeting held on 18-19 July 2023.	
	<i>Although recorded at this point in the minutes, the Board’s review of the minutes of the meeting held on 18-19 July 2023 took place after agenda item 3.2 when both A Reeves and K Cearns were present.</i>	
2.4	Decisions Log	
2.4.1	The Board noted the decisions made at the meeting held on 18-19 July 2023.	
2.5	Actions Update	
2.5.1	The Board considered the actions arising from previous meetings and: <ul style="list-style-type: none"> (i) Noted that action 1799 would be considered later on the agenda. (ii) Noted the timeline provided for the Assurance & Sanction Beacon Project. The Board questioned the reference to the ‘Magnox Inquiry Recommendations’ workstream and requested that A Cumming connect with s.40 to ensure there was no duplication between this and the output of the IRR workstream reporting to the SOG. Action 1871 could be closed. The Board agreed to provide any further feedback on the timetable to K Bowyer and A Cummings offline. (iii) Noted that the themes arising from the August 2023 Board and Committee effectiveness review would be presented to the Board meeting in November. Actions 1900 and 1901 could be closed. (iv) Agreed to close actions 1883, 1899 and 1902. 	A Cumming
2.5.2	The Board would consider the actions on its confidential action log during Board Only session later on the agenda.	
3.	Reports/Updates	
3.1	Chair’s Observations	
3.1.1	C Train provided an update on his transition to the role of Interim Chair of the NDA Board, including: <ul style="list-style-type: none"> • His handover from R Rivaz and meetings with key stakeholders including the Civil Nuclear Policy Authority and, together with D Peattie, s.40. • His attendance at the first annual performance review of the NDA. It was noted that DESNZ had taken an action to consider whether its and the UKGI’s interactions with the NDA could be more co-ordinated and efficient. 	



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	<ul style="list-style-type: none"> • The continued emphasis on cyber security in a variety of forums. • His reflections on Nuclear Week in Parliament and Sustainability Week at the NDA. • His observations that at times the timetable and demands of HMG do not always provide time for consultation with or input from the Board and asked the Executive to ensure that the Board was sighted or consulted on key HMG submissions. 	
	<i>A Reeves joined the meeting during this item</i>	
3.2	CEO's Update	
3.2.1	<p>D Peattie highlighted several matters from his written report including:</p> <ul style="list-style-type: none"> (i) Nuclear Week in Parliament. (ii) The NDA's shortlisting in three categories of the Menopause Friendly Employer Awards. D Peattie commended s.40 who won the community award, and E Dickey noted the excellent example of cross group working the group's menopause initiatives demonstrated. (iii) His attendance at the recent ONR Security Committee which focussed on the work being done at Sellafield to improve cyber security. s.36 <div style="background-color: black; width: 100%; height: 150px; margin: 10px 0;"></div> <ul style="list-style-type: none"> (iv) The need to remain ultra vigilant to phishing attempts, which were on the increase. 	F Rainford
	<i>K Cearns joined the meeting</i>	
3.3	CFO's Update	
3.3.1	<p>The Board noted the CFO report and K Bowyer reported that:</p> <ul style="list-style-type: none"> (i) The finalisation of the 2022/23 Annual Report and Accounts (ARA). It was noted that the sub-group formed to finalise the ARA had met on 11 September and resolved to approve for publication on 19 September. K Bowyer observed that BEIS' accounts were further delayed but that this did not impact the NDA' process. A workshop was planned with NAO to identify improvements that could be made to the audit process in future years. NAO were supportive of taking on the auditing of the substantial OpCos' with an intention to lay the Group ARA before Parliament's summer recess. (ii) The forecast Total DEL expenditure remained on target at £2,969m. Principal risks which were being closely monitored included potential to miss AGR fuel volume targets and the reduced likelihood of incremental windfall revenue due to HMG actions to bring down inflation. The Board discussed the anticipated downside on AGR fuel volumes and noted the potential impact of industrial action. The Board also discussed how the potential for overspend on the SIXEP project was likely to be offset by underspend during the year. The Board suggested that the CFO Update should differentiate on true savings and efficiencies versus delayed work, and that this greater articulation and transparency would be beneficial to the group and DESNZ. 	



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	(iii) The allocation by the ELT for the first time of in year savings to additional projects.	
3.3.2	K Bowyer referred to the distilled version of the figures submitted to HMG in preparation for the 2024/25 Spending Review, circulated to the Board on 8 September. Noting that the Board had yet to comment on the submission, K Bowyer explained the Spending Review process being followed and that due to the severity of the scenarios provided by HMG, the submission had very much been made on an illustrative basis. The response had also not been reviewed by the OpCos. The Board agreed that undertaking this type of preliminary work and identifying efficiencies should be a matter of routine focus, and that having a clear view of, and monitoring, the spending plans of the OpCos was key to this.	
	s.40 joined the meeting	
3.4	Group Chief Assurance & Performance Officer Update	
3.4.1	The Board noted A Cumming’s update and s.40 highlighted the key points. The Board discussed two points in detail: (i) s.36 (ii) The resourcing challenge at Sellafield that was impacting improvements in operational performance. The Board noted that Sellafield had established a team to identify and address specific shortfalls and that this was one of the top priorities of the Sellafield Board. The Board were interested in whether there was a view on what “good” looked like for resourcing at Sellafield, how long it would take for substantive action to be undertaken, and whether the team were taking learnings on resolutions from across the group. This would be explored further as part of the HSSE Committee’s visit to Sellafield. It was agreed that the Board’s forward planner be updated to include an update on the workforce plans being developed at Sellafield.	
	s.40 left the meeting	
	s.36	
4.	Main Board Topics	
4.1	Programmes & Projects Committee (P&PCo)	
4.1.1	C Train provided an update on the key matters considered at the P&PCo meeting held on 8 September. The P&PCo had not had to consider any sanction items which gave it an opportunity to consider several key matters in detail.	
4.1.2	The Committee had discussed the methodology behind the updated Dounreay Lifetime Plan (LTP) and how this tracked back to the existing version. K Bowyer and K Cearns responded to the Board’s questions on how the 2022/23 ARA had been able to be finalised whilst the Dounreay LTP remained under development. The Board noted the need for it to be comfortable with the approach taken to all the LTPs, and that NAO were accepting that a realistic view needed to be taken of the time it would take to achieve	



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	consistency. It was noted that going forwards, Finance would own the process for the development of LTPs and would produce guidance on the process to be followed. This would ensure Finance’s involvement in any changes to LTPs, that the associated assurance work could be delivered to the Board at the same time as an LTP was presented for approval, and that there were no consequent delays to future ARAs because of changes to an LTP.	
4.1.3	C Train reported that F Rainford had provided an update on the CNC Operational Unit Project FBC Resubmission and the P&PCo had discussed the lessons learnt from the approach taken on project management. The Board was keen that the lessons learnt were implemented. It was noted that J Simcock had undertaken a review of the CNC Operational Unit Project. A copy of J Simcock’s report would be circulated to the Board offline. <i>J Simcock’s report was circulated to the Board on 22 September 2023.</i>	
	s.40, s.40, s.40 and s.40 joined the meeting	
4.2	Technology & Innovation Update – Progress and Actions	
4.2.1	s.40, supported by s.40, s.40 and s.40 presented the update on NDA Technology & Innovation (T&I) activities and progress against the actions submitted to the Board in February 2023.	
4.2.2	The Board expressed its strong support for the work being undertaken by the team and sought further insight on several points including how the success of stakeholder events was measured, the potential that existed for collaboration across the sector and with stakeholder groups, the challenges the team faced and whether these could be addressed with support from counterparts in other organisations and resourcing. The Board highlighted the potential for funding for T&I activity to be provided by the NLF and encouraged this to be explored, as well as a move away from a perceived ‘pass’ or ‘fail’ mentality. The Board noted that it would like to receive an active demonstration of some of the T&I activities being pursued and for the Sustainability & Governance Committee to be briefed on how the culture change programme under development to support T&I activities interacted with the Culture Beacon. <i>F Livens, s.40, s.40, s.40 and s.40 left, and s.40 joined the meeting</i>	
4.3	Sanction Forward Plan	
4.3.1	The Board noted the summary of the sanction forward plan and the upcoming submissions it was due to receive. s.40 highlighted the changes to the update since it was submitted to the Board and confirmed that ministerial approvals were starting to come through. It was noted that the FM Services FBC resubmission required further work and could be delayed through NDA governance. The Board cautioned the Sanctions team to keep HMG updated on any delays and to avoid back ending submissions.	
4.3.2	In response to the Board’s request at its last meeting, s.40 tabled a presentation on HMT & DESNZ Sanction Approval Conditions. The Board noted the presentation and sought further insight on how the key themes from the approval conditions were shared with the project teams to aid their learning and future submissions. The presentation would be shared with the Board offline. <i>The presentation summarising HMT and DESNZ sanction approval conditions was circulated to the Board on 22 September 2023.</i>	
	s.40 left and s.40, E Hutton, s.40, C Nixon, A Munroe and E Regan joined the meeting	
4.4	AGR Quarterly Update	
4.4.1	The Board noted the update on progress with Defueling, Strategic Alignment and Transfer. E Hutton, s.40 and K Bowyer provided more insight into the defueling and funding workstreams. The Board sought further information on several points arising from the update and discussed the responses provided by the Executive relating to:	



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	<ul style="list-style-type: none"> • The potential for industrial action at Sellafield, the impact such action could have on fuel dismantler targets, and the preparatory steps being taken to mitigate such losses. • The visibility the NDA would have of calls on the NLF for post Transfer decommissioning work. • The benefits of ensuring one funding route for the NDA Group and the work that was being done to provide the NLF with comfort on the NDA Group’s governance and assurance process as part of the work looking at the AGR funding arrangements. 	
4.5	Magnox Transfer Programme and IAAP Action (Action 1799)	
4.5.1	<p>The Board noted the update on Transfer programme development and the associated Integrated Assurance and Approvals Plan (IAAP). A Monroe presented the key highlights from the last quarter and explained the development of the Hunterston B Joint Transition and Transfer Programme. The Board noted the intention for this to applied across the other AGR sites due to transfer. It was noted that a detailed decision calendar underpinned the Joint Transition & Transfer Programme. E Regan explained how most of the decisions and approvals required were the responsibility of the Secretary of State (SoS) and were not delegated to either the NDA or Magnox but the Board noted that whilst the main terms of the option exercise were settled there were still a lot of working level decisions still to be negotiated and taken. The Board noted that the ‘decision calendar’ was the correct terminology for the previously referred to IAAP, which the Board has requested sight of prior to its finalisation (action 1799). The Board discussed the importance of it, and the Magnox board, having clarity on the decisions to be taken, where it had been agreed the associated responsibilities lay, and the rationale for the ‘guardrails’ further to which matters would be escalated/reserved to DESNZ. It was also keen to understand the key associated issues and risks. In response, it was agreed that action 1799 would be retitled “AGR Transfer Programme Decision Calendar” and updated to reflect the Board’s request for an overview of the governance steps for the transfer of the AGR sites for decommissioning, setting out all the decision points, the roles of Magnox, the NDA, DESNZ and the SoS in those decisions, and the related key issues for the NDA Board to be aware of.</p>	R Fletcher S 4
	s.40, E Hutton, s.40, C Nixon, A Munroe and E Regan left, and s.40 and s.40 joined the meeting	S 4
4.6	Group Chief Ethics & Compliance Officer Exit Report	
4.6.1	The Chair welcomed s.40 to the meeting and thanked her for taking time out of her new role to attend the meeting and present her exit report, following her resignation as Group Chief Ethics & Compliance Officer. The Board noted that J Ashdown sits on the Board of a competitor of s.40 new employer and agreed that there was no requirement for her to recuse herself from the meeting.	
4.6.2	s.40 explained that her paper served both as an exit report and satisfied an action arising from an external review that the Board have a discussion on the challenges of embedding an effective speak up culture at the NDA and what may be done to overcome these. s.40 reminded the Board of the steps she had taken to move towards a group approach to Speak Up. The Board noted the achievements s.40 had made during her time in role, the metrics developed under the Culture Beacon to measure progress, and her opinion of the work that remained outstanding, including: embedding a group wide approach to Speak Up and developing core ethics training; the decision of whether to introduce a code of conduct for the group; and generally building awareness of why ethical behaviour is important, and how to model appropriate behaviours.	
4.6.3	The Board discussed and sought s.40 view on several areas prompted by her report:	



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	<ul style="list-style-type: none"> • The sufficiency of the resources available to progress the areas she had outlined as outstanding. • The role of the group’s Ethics Ambassadors. • The group E&C community’s relationships and nature of their interaction with the trade unions across the estate. • The challenges associated with introducing a code of conduct across a group made up of different businesses, with different values, but where there was strong desire for common ethical values. • Potential blockers to the achievement of the additional work identified. 	
4.6.4	The Board took the opportunity to thank s.40 again for her commitment and progress whilst NDA Group Chief Ethics & Compliance Officer.	
	s.40, s.40 and M Shaw left, and J Vickerman joined the meeting	
4.7	Magnox Limited Rebranding and Change of Name	
4.7.1	J Vickerman outlined the plan and timeline for the rebranding and change of name of Magnox Limited, to Nuclear Restoration Services Limited, following the merger with Dounreay. The Board was pleased that the proposed brand refresh brought together the operation of Dounreay and Magnox under a single brand and was supportive of the new identity. The Board commented that it would have been appropriate for it to have been engaged earlier around a set of principles for the rebranding. The Board RESOLVED TO APPROVE the change of name of Magnox Limited to Nuclear Restoration Services Limited and authorised the CEO to sign a special shareholders resolution on behalf of the NDA at the appropriate point to effect the change of name.	
	<i>J Vickerman left the meeting</i>	
4.8	Committee Reports	
4.8.1	The Board noted the report from the Audit, Risk and Assurance Committee (ARAC) meeting held on 12 September 2023 and K Cearns highlighted the key points for the Board to be aware of. It was noted that the ARAC’s endorsement of the GSR deep dive schedule for 2023/24, 2024/25 and 2025/26 would be considered later in the meeting. K Cearns informed the Board of her plan to review the annual cycle of ARAC business, reporting timeframes and attendance at ARAC meetings, with the Corporate Governance team. K Cearns also briefed the Board on the upcoming NDA group ARAC Conference taking place on 9-10 November and requested that the invitation be extended to all non-ARAC Board Members.	
	<i>M Shaw re-joined the meeting</i>	
4.8.2	The Board noted the report from the Remuneration Committee meeting held on 12 September 2023 and E Dickey highlighted the key points for the Board to be aware of. The Board noted that the chairs of the OpCo remuneration committees would be asked to report on progress on implementing the management actions agreed in response to the internal audit of the adoption of the Group Reward and Reward Frameworks across the group to ensure buy-in. E Dickey reported that PwC had presented a market update on pay trends in the external market and requested that this be shared with the OpCo remuneration committee chairs. Whilst not a direct comparator for the NDA, drawing primarily on listed practice, it provided a picture of the broader trends in terms of remuneration outcomes and budgets for the coming year.	
	s.40 joined the meeting	
4.9	Update on review of Framework Document	
4.9.1	s.40 provided an update on the review of the Framework Document. The Board noted that an updated draft had been prepared based on its previous instructions, the progress made with external stakeholder engagement, and plan for internal stakeholder engagement once feedback was received from UKGI. It was noted that the updated Framework Document would be socialised with the group General Counsel but would not	



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	be subject to OpCo approval. It was intended that the updated draft would be presented to the Board for approval in November and would progress into HMG governance for approval between December and the end of the financial year. Execution was targeted for March 2024. s.40 explained that DESNZ were also working on issuing an updated delegations letter to the NDA. s.40 responded to the Board’s questions on how the delegations letter could be future proofed to avoid any delegations being voided.	
	s.40 left the meeting	
5.	Items taken as read	
5.1	NDA Group Risk Deep Dive Plan	
5.1.1	The Board RESOLVED TO APPROVE the deep dive schedule as presented subject to the frequency of the reviews of GSR007 and GSR008 being resolved with the Chair of the HSE Committee, to which they were owed.	
5.2	NDA Risk Management Policy	
5.2.1	The Board RESOLVED TO APPROVE the NDA Risk Management Policy for implementation into the Quality Management System.	
6.	Forward Agenda	
6.1	The Board considered the forward agenda and discussed its planned site visit to Sellafield in November. The Board requested that the draft itinerary for the visit be shared with it for comment. The Board also discussed the site visits that it could potentially undertake in 2024. It was noted the Corporate Governance team would share suggestions with the Chair for consideration.	s.40
7.	Reflections from observing OpCo Chair	
7.1	W Goldwag thanked the Board for the invitation to observe its meeting and shared her takeaways from the meeting around T&I, the AGR Programme, the escalation of matters from the OpCos, and that so much of what was currently under consideration by the group related to people: recruitment and retention of the necessary skill sets; succession planning; and culture.	
8.	Board Reflections	
8.1	The Board commented on the scope of the responsibilities of the Communications and Stakeholder Relations function and requested that an appropriate time be found for an overview of the function to be presented to it.	
	W Goldwag left the meeting.	
9.	Board Only Session	
9.1-9.5	These minutes are confidential. Please see Addendum to the minutes.	
10.	AOB	
10.1	There being no further business, the Chair closed the meeting.	