



Nuclear  
Decommissioning  
Authority

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Our Ref: BP10/13-NDA-L14

23 March 2010

Mr A MacDonald  
DSG Chairman  
Traill House  
7 Orlig Street  
Thurso  
Caithness KW14 7BJ

Dear Mr MacDonald

**Re: NDA Business Plan 2010-2013**

Thank you for your comments on our draft Business Plan 2010-2013. The comments and concerns you raised were given careful consideration and the revised document reflects this. I would also like to answer some of the specific points you raised as follows:

- The NDA agree that stable and predictable funding is vital for the future of the site. The NDA have therefore taken Dounreay through the PVP process early and managed to secure a planned assured funding level for the site of £150 million per annum. This information is now included within the revised plan.
- The PVP process reflected not only direct financial criteria but the effect on jobs both at the site directly and in the supply chain, and the impact on the work programme itself.
- The NDA recognise the unique issues presented by the particles and remains committed to working with all relevant and expert bodies to ensure that this issue is dealt with appropriately.
- Consistent with our socio-economic policy, we continue to work with local regeneration bodies to support them in their primary responsibilities. However, along with your own letter, we received a number of comments expressing concern at the reduction of the socio-economic budget. Consequentially, we have decided to revert to the initial socio-economic budget of £10 million and our revised plan reflects this.
- Support and overhead cost reductions are being applied across our entire estate and this includes reducing our own operating costs.



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I have attached a copy of the consultation report which provides more information on how we have addressed all the comments received. The revised Plan is currently with Government awaiting approval. Once we receive approval, we will publish it on our website; this is likely to be early April.

Meanwhile, I would like to thank you for your continued interest in our work and for supporting us in the development of our Business Plan.

Yours sincerely

A handwritten signature in cursive script that reads 'Sarah Kekus'. The signature is written in black ink and is positioned above a horizontal line.

**Sarah Kekus**  
Business Plan Project Manager

cc: Tony Fountain, Chief Executive  
Adrian Simper, Strategy & Technology Director

Enc.

## **Consultation on NDA Draft Business Plan 2010-2013**

### **Overview**

During our consultation period we received 25 responses with a further 5 more received once the consultation period had ended (bringing the total number of responses to 30). The responses we received were from a broad range of stakeholders including Regulators, Trade Unions, Site Stakeholder Groups, Local Authorities, Regional Development Agencies and Site Licence Company employees as well as members of the public. The consultation on last year's plan generated 56 responses from a similar cross-section of stakeholders.

### **Summary of Comments**

#### **Funding and Efficiency Savings**

Several respondents commented on the need for stable and predictable funding. In recognition of the current pressures on public funds, some stakeholders are clearly concerned that this will impact on the NDA's ability to deliver its mission.

#### **Specific Comments Received:**

1. The breakdown of non-site expenditure shows a decrease in funding for socio-economic, skills development and R&D. We would encourage the NDA to look for opportunities for keeping funding in these areas at year one levels and not look to these initiatives as the first cost-cutting measures.
  - › We have reviewed these areas of our budget and amended in line with comments.
2. To take Dounreay site to the end state in a safe, efficient and cost effective manner predictability of funding is essential. It is essential to secure the funding required for the site to continue the very good progress that has been made over the last few years. It is critically important that a stable level of funding is guaranteed to ensure the NDA's statutory duties to secure value for money, promote competition and best practice are fulfilled for the forthcoming PBO competition and in turn give the area the opportunity to secure a sustainable future.
3. Achieving the Interim End State remains the primary objective for the Dounreay site. However this can only occur with the provision of stable and predictable funding at or above the levels currently stated in the DSRL Lifetime Plan (LTP).
4. We are pleased to see under that you plan to deliver Dounreay site to an interim end state. Funding is key to achieving this objective and we fully appreciate the cost pressures on public sector funding. However a reduction in expenditure on Dounreay will be devastating for the area's economy. Population and skills migration are real threats increasing the burden to the taxpayer and dependency on social welfare and indeed a threat in itself to completing the decommissioning programme.
  - › We have secured planned assured funding for Dounreay of £150 million per annum. This is now referenced in the plan.
5. The Pension costs are reduced significantly; it would be useful to provide clarity on how this significant reduction has been arrived at.
  - › We have added a footnote clarifying that the 2009/10 pensions figure included pensions additional costs at Sellafield as a result of moving from the unfunded public sector Combined Pension Scheme to the Combined Nuclear Pension Plan, following the 2008 site management competition. For 2010/11 these costs have been transferred to the Sellafield SLC programme.

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6. While all other activities within the non-site expenditure have taken a considerable reduction the NDA operating costs remain much higher. The NDA need to consider this and make substantial reductions wherever possible.
  - › Comment noted and the budget as been amended in line with comments.
7. The NDA make reference to cumulative savings target of 9% over three years. As this is the third of the current 3 year period it would be useful to indicate how the NDA Estate has performed to date against this target.
  - › We produce an Annual Report and Accounts and we believe this is the right place to report performance. We have therefore made no change to the Plan.
8. Support costs are greater than any single Strategic Theme. The balance seems wrong but there is no discussion or explanation for these costs. The document would benefit from an input to expand on this.
  - › This section has been reorganised so that support costs are described separately from Critical Enablers so that it is clear to see that these costs cover expenditure across the NDA estate that does not relate directly to particular projects.
9. The sentence on reduction targets is ambiguous. Is the cumulative saving to the end of 2011/12 to be 5%+5% = 10% or is it 5%+10%=15%?
  - › The wording has been tweaked to add clarity as follows; the reduction targets are: 5% in 2010/11, a cumulative 10% in 2011/12, rising to a cumulative saving against current spend of 20% in 2012/13.
10. The National Nuclear Archive is currently included in the DSRL total. Is the £2 million shown in Appendix 6 in addition to this?
  - › The table has now been modified. All of the £2 million funding for the Archive is included within the planned expenditure for Dounreay and there is no longer any reference to the Archive in Appendix 6.
11. The fact that a General Election will take place within the next five months adds to the uncertainty over the extent of Government funding for the NDA. The political priorities of a new Government will influence the Business Plan, and this also makes it difficult to project with any certainty operational plans at each licensed nuclear site beyond the next 12 months.
  - › Comment acknowledged – The plan currently focuses on deliverables in 2010/2011 for this reason and so we have not made any changes to the plan in light of this comment.
12. A crucial risk to the NDA's ability to manage the long term clean up of the nuclear legacy is the vulnerability of its net-funding model. Over the past five years since the NDA was established, the planned income stream has been reduced due to operational problems affecting the facilities thereby reducing the commercial revenue. Uncertainty of funding has then led to unplanned requests for supplementary Government funding, compounded by unexpected additional costs in addressing high hazards, particularly at the Sellafield Site. It was due to this funding model that planned site restoration projects were scrapped during 2007-2008 leading to additional longer-term costs and the loss of many skilled nuclear specialists who were made redundant, particularly at Harwell, Winfrith and a number of Magnox sites.
  - › Comment acknowledged but we have made no change to Plan. We have been working with Government on our funding model and this work is ongoing.
13. The continued call for 3% efficiency saving annually at Dounreay is unreasonable as DSRL has already systematically reduced the originally stated timescale of 100 years. The NDA estate could take a turn to demonstrate a greater share of efficiency savings, and perhaps even the NDA could lead the way in demonstrating this. We believe the NDA should consider reducing NDA staffing as part of achieving efficiency savings.

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- ▶ The NDA is looking at support and overhead cost reductions across the entire estate including our own operating costs and the plan now shows a significantly reduced budget for NDA operating costs.

### Public Value Programme (PVP)

Some comments indicated that some stakeholders are confusing PVP with the funding settlement process. The funding section has been re-written to make it clearer that this initiative is aimed at identifying options for improving the effectiveness and affordability of our mission and will form part of the spending review evidence base.

#### Specific Comments Received:

1. We note the constraints to future funding and the importance of the Public Value Framework (PVP) to future spending reviews. We consider it essential that stakeholders are briefed at the earliest opportunity about progress in the identification of, and basis for, preferred options for moving forward.
2. Funding for future years needs to be communicated to stakeholders as soon as the PVP is complete.
  - ▶ We have now included an update on the planned assured funding for Dounreay £150 million per annum and we will keep stakeholders informed of other developments through fora such as Local and National Stakeholder Group meetings and also our website.
3. The final Plan could change significantly as a result of any fiscal pressures imposed by PVP. We therefore urge the NDA to consider rationalising the final Plan with the PVP and compiling a report which explains how the outcomes of PVP influenced and/or changed the final Plan, especially years 2 and 3 of the plan.
  - ▶ Whilst our business plan covers a 3 year window we produce it annually so we believe the time to highlight any changes to plans as a result of the next spending Review will be in next year's Business Plan (2011-2014).
4. The strategic objectives and plans for each of the licensed nuclear sites as set out in the NDA Business Plan 2010-2013 will be overshadowed by decisions taken by Government as part of the Public Value Programme (PVP), which will determine Government funding for nuclear decommissioning from April 2011 – only one year into the Business Plan period. The PVP review is in itself driven by the 'tight fiscal environment' acknowledged in the Business Plan and this will clearly have a significant impact on funding decisions and priorities across the NDA estate. We note the intention that the 'final' plan will reflect the outcome of PVP which make it difficult to comment in detail on the draft plan, which will have been overtaken by the PVP review conclusions within the next few months.
  - ▶ As the spending review will not even commence until after the election, PVP conclusions are very unlikely to affect funding for 2010/2011 and changes to funding thereafter will appear in next year's Plan. This is now explained in the Plan.
5. The current Public Value Programme review of all NDA projects poses a significant threat to the NDA meeting its requirements under the Energy Act 2004. The fact that the NDA annual budget accounts for two thirds of the total budget for the Department of Energy and Climate Change (DECC) should not in itself require the NDA to suffer a disproportionate cut in its planned spending. The stated 20% reduction in funding, would have a devastating impact on decommissioning projects leading to substantial job losses among skilled nuclear specialists. This reduction would also have significant consequences for the NDA in meeting its mission to deliver safe, sustainable and publicly acceptable solutions to nuclear clean-up and waste management.

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- › We have now included an explanation of the criteria used in our PVP submission which shows that a wide range of factors have been considered including socio-economic, environmental and hazard reduction.
6. We welcome the comment about taking "at least some of the Magnox sites into Care and Maintenance." It is vital for the future of the whole nuclear industry, including the NDA estate, that considerations such as the Public Value Programme do not deflect the NDA from seeing this through: it will be a huge mistake if they do. The credibility of the NDA and its mission is at stake. Further, the credibility of the new build agenda rests on task to future generations.
  7. Care and Maintenance of sites cost more money to the Government via the Tax payer in the long term, and this cannot give value to the PVP plan.
    - › PVP is aimed at identifying options for improving the effectiveness and affordability of our mission. Accelerating some of the Magnox sites into Care and Maintenance reflects the current NDA's Board preferred position however work is still being done to underpin the business case – this has been made clearer in the Plan.

### Value Framework

We also received comments and queries relating to how the NDA allocates funds with some respondents asking for a better explanation of our Value Framework process.

#### Specific Comments Received:

1. The NDA needs to provide further explanation of the processes and reasons for spending proposals and decisions.
2. More explanation is required on how the NDA reaches decisions on site funding allocations and how those decisions are justified. In the context of the new format of the draft Business Plan, it would be helpful to provide a high level explanation of how proposed key deliverables (by strategic theme) and key activities (by site) have been identified.
3. In comments on previous draft Business Plans, we have highlighted the importance of enabling stakeholders to understand the role of Value Framework (VF) tools in spending reviews, identification of priorities and assessment of business cases. We still believe it would be helpful for NDA to publish some worked examples on the specific use of the VF, as seen against the wider perspective of spending reviews and the PVP.
4. We believe it would be helpful for NDA to publish some worked examples on the specific use of the Value Framework, as seen against the wider perspective of spending reviews and the PVP.
  - › The funding section has been strengthened to include an explanation of our "Value Framework" process and how it has informed our PVP submission.

### Strategy and Government Policy

Scottish sites it is important to ensure that the difference in policies is understood and that the NDA continue to inform site stakeholder groups of these differences and how they intend to work within the policy frameworks of all the parliaments.

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2. The implications of Scotland's Higher Activity Radioactive Waste Policy will have to be reflected in NDA's strategic objectives, notably objective 15, on ILW management.
  - Comments acknowledged and accepted – no change to plan.
3. One area we would like NDA to take forward as a priority is on establishing characterisation and sentencing procedures for waste and contaminated land as a means to provide better quantification of waste arisings across the NDA estate. This is reflected in a strategic initiative for LLWR, but needs to extend to all of NDA's estate.
  - The NDA is facilitating cross industry working to support the introduction of these programmes across our estate. More information will be included in the relevant topic strategy and a draft of this will be available later this year. A meeting has been arranged to provide a tailored response to this point.

### Approach to Estate-wide Management

There were a number of comments expressing more general opinions on the way we are managing our estate.

#### Specific Comments Received:

1. The NDA has introduced massive inefficiency into the system, skewing the workforce towards refining plans, monitoring and reporting with far too small a proportion of the budget then spent on actually getting work done and discharging nuclear liabilities. Economy should begin at home by the NDA dramatically winding down its so-called assurance activities, getting out of detailed management surveillance operations and holding the PBOs accountable for delivery at an appropriately high level. The SLCs should have a more commercial focus and should not be constrained to run like a Government Department.
  - This comment has been noted, and we have responded directly by letter explaining that clear and robust oversight of a multi-billion pound annual programme is essential if we are to ensure appropriate prioritisation of funds. However we recognise that, through working with our SLCs, we now have clearer plans in place and subsequently we have been reviewing our own organisation to ensure that we continue to deliver value for money without increasing bureaucracy.
2. While we strongly support measures to increase productivity and reduce the oversight burden, the NDA should direct its energies to supporting efforts to maximise opportunities for individuals in the NDA estate to transition to new nuclear operations and to avoid voluntary redundancies and compulsory redundancies which are totally unacceptable to us. The NDA should not shirk its responsibilities in this area and should take a positive role through supporting the PBOs seeking to make this happen.
  - This comment has been noted, and we have responded directly by letter acknowledging that, over time, the numbers employed on our sites will diminish as clean-up progresses but stating that we are providing resources to support a wide range of training programmes that will enable individuals to develop skills for long term employment in any part of the nuclear industry.
3. I note that you have used a new breakdown of expenditure. I think that you should define the terms. It is not clear to me what the boundary is between site restoration and integrated waste management. Also what is a support cost? I worry that at some sites this includes costs such as security which are a regulatory requirement. Currently the term support costs is often seen as an overhead, which could be reduced/removed. Also more explanation of the strategic objectives would help.
  - The objectives section has been amended and descriptions of our strategic objectives have been re-worded to provide greater clarity; there is now a separate section on support costs.

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4. In the introduction by the CEO the possibility of accelerating some of the Magnox sites towards C and M but this is not commented on anywhere else and the funding levels suggest that this is not being progressed
  - › The CEO's introduction reflects the current NDA's Board preferred position however work is still being done to underpin the business case. No change to plan.
5. I have concerns that at some Magnox sites "wet" and "mobile" wastes are not being recovered and continue to be stored in tanks which may be of uncertain condition. This type of recovery and waste treatment should be a high priority for Magnox sites.
  - › The Magnox North and South sections have been completely revised to ensure activities described in the plan are reflect the current situation. The revised plan shows that the retrieval and interim storage of ILW is seen as a priority across many of the Magnox sites.
6. I note the potential for life extension at Oldbury and Wylfa. This is not without risk to the MOP programme as it becomes vulnerable to problems at Wylfa in particular. Comment on the predicted life of the Magnox reprocessing and associated plant would be of help.
  - › Comment acknowledged. The Plan states that protecting the completion date of the MOP is a key priority. The completion date stated in the Plan is March 2016
7. The plan has little about NDA risks and what is being done to manage them. Perhaps this should be included in future.
  - › Comment noted and we will consider this in future years. Meanwhile our Annual Report and Account provides more detail on our internal control processes.
8. Why is DRS not sold by the NDA. The NDA is trying to develop the business away from nuclear transport and DRS is not well placed to do this.
  - › Comment noted – no change to Plan.

### Site Specific

We received a number of comments that related specifically to a particular site. Most of these comments were expressing concern that funding for that site may be reduced as other sites, such as Sellafield, take precedence; Harwell, Winfrith and Capenhurst were amongst the sites mentioned in this context.


### Specific Comments Received:

1. The reduction of 26,000 tonnes of uranium hexafluoride tails at Capenhurst, is one of our key areas of interest and we believe the business plan should include the objective to 'design and agree solutions to commence the reduction of the hex tails hazard'.
  - › This suggestion has been implemented.
2. Ensuring a strategic timeline between the completion of decommissioning in Trawsfynydd, and the beginning of decommissioning and potential new build at Wylfa would ensure that key skilled staff could be transferred ensuring they are retained in the local economy. This would also create more certainty within the local supply chain to enable further investment and capacity development to take place.
  - › Comment noted – no change to Plan. Along with Caithness, Dumfries & Galloway and West Cumbria, North Wales is identified as a priority area in our Socio-economic policy for support in the creation of dynamic and sustainable local economies and we remain committed to our responsibilities in these areas.
3. We hope that Harwell site will be cleared by 2025 as indicated in the currently published NDA strategy.
4. We note with concern that the Business Plan now omits mention of any priority release



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- of land for the Harwell Science and Innovation Campus.
5. The UK's inability to clear the Harwell nuclear site of its legacy nuclear waste seems incongruous given the proximity of flagship scientific projects on the adjacent science campus which have received significant Government and international investment
  6. There is no economic sense to mothballing the nuclear parts of Harwell as house-keeping costs will then go on escalating indefinitely. There is a general problem with the care and maintenance approach with some buildings, already over 40 years old, degrading and becoming non repairable. An up-front injection of £50m would make a major contribution in completing all the ancillary facilities and contaminated land issues at Harwell.
  7. Any further substantial man-power reductions at Harwell would result in a consequent decline of decommissioning work. The focus for the Harwell site during this reporting period should be on decommissioning.
  8. We welcome the strategic objective of taking Harwell and Winfrith to site closure, however, the 2011 -2013 planned key site restoration activities for both Harwell and Winfrith are, "care and maintenance of redundant reactors and other facilities." This may be an artefact of the high level nature of the business plan, and the fact that the plan is only looking at the next three year. We would like to see a little more detail about how the Harwell and Winfrith strategic objective is to be achieved, particularly the timescale to achieve this. We recognise that any timescale would have to be subject to a caveat about the availability of funding.
  9. We are disheartened to read that Bradwell or Trawsfynydd could be made the lead site for accelerated clean-up. We would like to see more finances allocated to Winfrith and Harwell to allow decommissioning to continue rather than waste tax payers money keeping both sites in care and maintenance when they were both well on the way to completing their task of remediation.
    - > All comments noted. The Plan indicates that the implications of operating in a funding constrained environment means that we have to prioritise work to reduce the highest hazards.
  10. In RSRL there are a number of current projects which may fall under the Critical Enablers heading. During 2010/11 these include, investigating the removal of special nuclear materials from the Harwell site with a view to reducing security costs; completion of the Management Systems Improvement Programme; and completing the People Plan (aimed at improving the effectiveness of our people management scenarios to deliver best value for money to the NDA
    - > The site facing team has considered whether the NDA Business Plan should refer to these initiatives. The activities are quite general, reflecting estate wide aims but there do not appear to be specific deliverables at this site within the timeframe of the plan. We have therefore not included them on this occasion.
  11. Saving 3% year on year is going to become more difficult as the programme progresses and sites, such as Dounreay which have been recognised for the work already done in this area, cannot continue without detrimental impact to the continuity of the decommissioning programme and to the retention of the skills required to complete the programme.
    - > Comment noted – see also comments on planned assured funding for Dounreay.
  12. The activity "to work with other SLCs to achieve early off-site transfer of fuels" will need a clear engagement plan to ensure that interested parties, including Scottish Government, are kept informed of progress. The NDA and DSRL need to work together to ensure a pro-active stakeholder engagement plan on fuel transfers.
    - > Comment noted.



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13. The clean-up of radioactive particles in the marine environment is not listed as a key activity however this uncontrolled contamination which is outwith the Dounreay licensed site. Priority should be given to continuing the good work that has already been undertaken and we want to ensure that funding for the clean-up campaign is not compromised over the coming years. While the NDA may not view this as major hazard reduction, the detriment and blight to the area is significant and the continuation of this project is essential for the future regeneration activities required for the area.
  - › The plan now states that the retrieval of offshore particles will continue in line with the Dounreay Particle Advisory Group recommendations.
14. The Business Plan should be updated to reflect the impact of the Dounreay competition as well as align with the issued competition guidance. Also, the industry day for competition is currently scheduled to be held within the 2009-2010 not the 2010-2011 as indicated.
  - › Comment noted. The date has been amended accordingly.
15. I note that a continuing theme in the Hinkley Appendix is the final removal of quite a small amount of asbestos which seems to have taken on a major project role, when in fact the SSG were under the impression that the major removal of asbestos was completed some while ago.
  - › This comment has been noted and, as it is no longer a major project, the activity has been removed from the document.
16. I also note that a major item of work at Sizewell, mentioned in the plan, is the electrical overlay system. Hinkley also has an electrical overlay system which is incomplete and has never had a mention as a major project. This leads me to believe that the site specific details are not very well researched and that possibly sites such as Hinkley have very little worth mentioning in terms of hazard reduction.
  - › No change to Plan. As decommissioning is the focus at Hinkley, site activities focus on hazard reduction, waste management and decommissioning rather than infrastructure projects such as the Electrical overlay system.
  - › As funding priorities have changed across the NDA estate and specifically within Magnox South it is fair to say that there are fewer projects worth highlighting. Furthermore the changing role of the business plan document has meant that it now concentrates on outlining deliverables during the plan period rather than including a number of ongoing activities that do not directly align to a strategic aim.
17. Mushrooming of the NDA staffing and subsequent costings is not reflected in progress at Hinkley and one must ask the question could the Hinkley project, so far, have progressed without most of the NDA HQ, I think the answer would be yes.
  - › Comment noted however there has been no appreciable increase in NDA staff since 2008/2009 and our headcount, which remains under 300 permanent staff, is relatively low compared with other similar organisations.
18. There is no mention made to reducing hazards and liabilities on the Springfields Site
  - › All of the activities described under the heading "Manage Nuclear Materials" and "Site Restoration" relate directly to reducing hazards and liabilities.
19. The potential transfer of NDA funds away from Springfields should not affect the strong need to maintain momentum on disposing of legacy residues at Springfields. We support the deferral of decommissioning for plant still in use and with important role to play e.g. for residue recovery, but for plant that is definitely redundant (and will never be re-used) we consider they should be decommissioned to programme.
  - › Comment noted

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## Socio-economic

We received several comments expressing concern over the reduction of the socio-economic budget. We also received comments expressing concern about threats to jobs and lack of reference to skills and workforce development.

### Specific Comments Received:

1. In previous years, we have expressed concern about the relatively modest amount of money (£10 million per year) allocated to socio-economic support and argued that levels of such support should not be reduced because of the current "light fiscal environment". Not surprisingly, therefore, we were disappointed to see the proposed allocation for 2010-11 reduced to £5 million
2. The figures quoted pertaining to socio-economic support funding and funding for future skills development indicate significant reductions (50% and 58% respectively) in funding for the coming year. We consider socio-economics to be the priority for Caithness & North Sutherland and believe there has to be a return for our working our way out of a job.
3. We are disappointed that your commitment to socio-economic activity has been significantly downgraded within this Business Plan with a reduction in half the projected expenditure in comparison to 2009/2010
4. We were surprised at the large cut under the skills development heading particularly as this should be a priority to meet the changing skills need of decommissioning and new build.
5. The socio economic spend has been reduced from £10M (in 2009/10) to £5M (2010/11). While we recognise the need to reduce non-site expenditure it is equally important to ensure that the NDA revisits their priority areas.
6. Socio-economic spend shows a decrease. Bearing in mind the critical state of the North West Wales economy, I would ask that the NDA ensures it can facilitate enabling work to allow the community to become sustainable in the longer term. I would also ask that the NDA maximises it's spend in the locality by accelerating work safely.
7. Spending on Socio-economics has been reduced by 50% and Skills Development funding by almost 60%, but your Mission statement states the NDA will take into account their social responsibilities. We understand the need for efficiency savings, but these reductions appear to be just direct cuts, given the previous commitment by the NDA Board to these important issues, we would request that this is explained further.
8. We are very concerned by the proposal to cut the socio economic budget by 50% and believe that this is a totally unacceptable breach of trust with the local community that, if agreed, will have far reaching implications.
9. Publishing a document which targets socio economic support as, proportionally, the largest area for cost savings with the exception of skill development send all the wrong messages and will result in a serious setback to all of us. We note there is also a significant reduction in the budget for research and development. We would like reassurances that this is not short term thinking which will damage progress downstream.
10. The NDA has gradually reduced the support for transformation in West Cumbria despite the representations made by the Local Authority partners. In addition to the gradual reduction in the socio economic budget, Sellafield's own budget of £3.1m has not been increased since the formation of the NDA.
  - ▷ All of the above comments were given careful consideration and this prompted a re-think of our budget allocations. Consequentially, the revised plan reflects a decision to revert to the initial socio-economic budget of £10 million.

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11. There is a very major omission in this whole document - there is no reference to skills and workforce development, capability and capacity. Without a suitably skilled workforce none of this agenda can take place and this should be clearly specified in the Business Plan. Point 19 under critical enablers is the nearest reference there is to people, but this isn't specific enough to make the importance of people development clear.
  - Under NDA critical enablers we have added the following, "continue to develop opportunities to make the best use of the skills and resources across the NDA and the Site Licence Companies and implement the People Strategy Action Plan.
12. It is important for the area that the NDA seeks to gain extra socio-economic value for the locality from its activities in North West Wales. I would also like the NDA to see what it could do to accelerate work at Wylfa and Trawsfynydd so that it could optimise opportunities for local contractors and potential employees. I would ask that the NDA include reference to socio-economic matters under critical enablers for Wylfa.
  - Comment noted but no change made to plan. Along with Caithness, Dumfries & Galloway and West Cumbria, North Wales is identified as a priority area in our Socio-economic policy for support in the creation of dynamic and sustainable local economies
13. More emphasis should be made to your commitment to socio-economic responsibilities
14. There is very little detail within the Plan on what is included within your socio-economic policy
  - Details of our socio-economic policy are set out in a separate document which can be downloaded from our website. Alternatively hard copies are available on request.

### Document Format and Presentation of Information

We received a number of comments complimenting us on the new format of the document.

#### Specific Comments Received:

1. We agree that the new format Business Plan provides a clear statement about the NDA's strategic themes, objectives, funding allocations and key activities across the estate.
2. Following analysis of Appendix 5 the 2010/2011 Planned Income and Expenditure Summary could be misleading to the reader as totals have only been included for projected income rather than a site by site breakdown which is essential to interpret the wider picture.
3. We applaud the clarity of the document and in particular the use of the colour coding system to link the SLC's key activities to the NDA's six strategic themes
4. The business plan gives site stakeholders hardly anything to get their teeth into and the continuing change of format in the document gives no meaningful follow-up year on year, thus stakeholders have no feel for progress.
5. I think the business plan content is so very high level it does not invite scrutiny by stakeholders at local site level. The plans have no continuity and so far, at site level, this latest shows a lack of site progress. Projects are being inflated to fill the spaces.
6. Consideration should be given to including a more detailed table to highlight the cost of each strategic theme.
7. Consideration should be given to including the NDA strategy for LLW
  - This has now been included.


8. The Style and layout of the Business Plan are easy to read and highlight the NDA's key priorities
9. Why call places like Chapelcross a power station? Decommissioning sites better reflects their current status.
  - › Noted and plan amended accordingly
10. In appendix 5, could income be shown against each SLC? It would help put the ongoing costs of some sites in context.
11. Operating costs are included but there is no correlation between the income a site generates and the amount of funding it receives. Furthermore income included in the business plan is projected income. Actual income is reported in our Annual Report and Accounts.
12. The document focuses on the NDA's priorities but we believe that in its current format it lacks the delivery detail of how these will be achieved, which is fundamentally important to successfully delivering the business plan.

#### Praise and Endorsement

Finally, some people took the time to write and tell us that they think we are doing a good job and encourage us to keep up the progress.

#### Specific Comments Received:

1. I have no specific comments to make on the document. Having said this, I note that the planned expenditure is an increase of around £13 million on last year and must take this opportunity to congratulate the NDA not only on its continued commitment to the safe decommissioning of the Dounreay site but to its support of the Caithness and North Sutherland economy.
2. It is our view that the NDA has yet to put in place rigorous systems of environmental monitoring and reporting on which to evaluate its performance and that of the SLCs. Thus we support NDA's plans to develop a suite of leading safety and environmental performance indicators by which SLCs can demonstrate that decommissioning work is taking due account of plans to protect and improve the environment and protect public health.
3. I am glad that the NDA intends to explore options to extend the generating life of Wylfa. I would encourage the NDA to keep up the good work it is doing via the SLC in identifying opportunities for the local supply chain in North Wales and in supporting the STEM agenda for young people.
4. We note and support the NDA's work in the delivery of its remit, in particular working to establish a safe, secure, affordable and innovative market for clean-up and decommissioning and in turn taking account of its socio-economic responsibilities.
5. We welcome the opportunity to comment on the Draft NDA Business Plan 2010-2013, as part of our commitment to continuous engagement with the NDA and Government on issues relating to the clean-up of the UK's nuclear legacy.
6. We agree that the new format Business Plan provides a clear statement about the NDA's strategic themes, objectives, funding allocations and key activities across the estate. This is to be welcomed.
7. We offer our full support to the NDA's input to the Public Value Programme (PVP) and will work with NDA, nuclear site regulators and Government to examine fully the implications of any deferrals or delays to the decommissioning and clean-up work on NDA sites in Scotland.
8. We offer continued support to the development of the Value Framework process that balances the main driver of hazard reduction against a range of other metrics.



## NDA Business Plan 2010-2013

### **Other Comments**

In addition there were a number of comments relating to minor typos, style improvements and grammar. All of these comments have been addressed.

Comments of a very specific nature and relating to the accuracy of site activities were all referred to our site facing teams. All of the site summaries were reviewed and updated following the consultation process to ensure that the most up-to-date information available has been included.

### **Conclusion**

We are grateful for the volume of carefully considered comments from a broad cross section of stakeholders. We thank all of those who have responded for their continued interest in our work and for supporting us in the development of this year's business plan.