

Health and Safety Executive Board		Paper No: HSE/13/44	
Meeting Date:	22 May 2013	FOI Status:	Partially closed
Type of paper:	Above the line	Exemptions:	Para 1 – s35
Trim reference:	2013/167985		

**Chair of the Office for Nuclear Regulation Report to the HSE Board - April 2013**

## Preparations for vesting

### Essentials for vesting

1. →←
2. The Internal Audit report on the Essentials for Vesting Project has concluded that there is substantial assurance that the Project will deliver on time and on budget. Three recommendations were made to which management have provided a response. The report and management response were considered by the ONR Audit Committee on 8 May.

## Assurance (ONR self-governance, etc)

### Finance

3. The 2012/13 end of year budget outturn position was £52.9m against a profile of £54.3m, an underspend of £1.4m (2.6%). The main budget underspends were:
  - IT was underspent by £26k (-71%) as a result of a charge from HSE for HOW2 not materialising;
  - Travel and Subsistence was underspent by £160k (-6%) as a result of changes to planned activity within the business;
  - Nuclear Safety Studies (NSS) was underspent by £503k (-12%). This was mainly as a result of contract delays with HSL, more work completed in-house and delays to new build plans.
4. Shadow budget allocations for 2013/14 have been issued to all Programme Directors.
5. ONR's 2012/13 Memorandum Trading Account (MTA) has been completed and submitted to HSE Finance for inclusion in HSE's Accounts. The MTA has shown that ONR has recovered £50.1m (94.7%) of its £52.9m expenditure.

### Capacity

6. External recruitment into nuclear inspector vacancies at Bands 2, 3 and 4 (the newly proposed Nuclear Associate level) continues. Of the 114 candidates selected for interview so far, 18 passed the standard and have either been offered an appointment or offers will be made depending on the number successful in each specialist area; 37 failed to meet the standard, and 59 are still to be interviewed. Interviews will continue until 28 May 2013.
7. Internal recruitment from within the civil service continues at a particularly high level. Nineteen out of 35 vacant posts mentioned in the last report have now been filled. It is also anticipated that the remaining posts will be filled successfully, in most instances without

needing to make a case for external recruitment. Nine of the 13 key management roles were filled as a result of the Band 1 promotion panel. The remaining roles will be reviewed again following planned Senior Civil Service recruitment and will continue to be filled using temporary promotions for the time being.

### Chief Inspector's Advisory Panel

8. In November 2011 the House of Lord's Science and Technology Select Committee recommended that ONR consider re-formulating an advisory committee similar to the Nuclear Safety Advisory Committee, which formerly assisted the HSE Board on nuclear safety matters. The ONR Board has agreed Terms of Reference for the new committee, to be known as the Chief Nuclear Inspector's Advisory Panel, and the recruitment process for panel members will start shortly with advertisements being placed on the HSE and Public Appointment's websites.

### Security

9. The CPNI security culture review and evaluation tool (SeCuRE) ran from 4 to 22 March. The initial report provided by the company hosting the survey indicates that ONR has achieved a score of moderate, which is consistent with the national benchmark. ONR Management is committed to improving the score when the survey is next run, and a management action plan is under development to improve how security is handled and managed. A full report on the findings of the survey was presented by Internal Audit to the ONR Audit Committee on 8 May 2013. The results of the survey will be provided to ONR staff.

### ONR Change Programme

10. The leadership team allocated individuals to specific leadership and management roles in the new Operating Model on 19 April. This represents a key milestone in the journey towards full implementation of the model by 1 July 2013. Workshops are now being held with the identified leaders to fully test their draft roles and responsibilities. The finalised roles and responsibilities will be captured in How2. A Band 1 conference will be held on 10 June 2013. In addition, individuals were allocated to career and development groups within each specialism.

## **Regulatory functions**

### Openness and Transparency

11. Following the granting of a Development Consent Order to NNB GenCo in relation to its proposed new nuclear power station at Hinkley Point C in Somerset, ONR published all assessment reports relating to its decision to grant a nuclear site licence. The reports provide detail of how and why ONR reached its decision.

### Generic Design Assessment

12. ONR and the Environment Agency have signed various agreements to enable the start of the assessment of Hitachi-GE Nuclear Energy, Limited's UK Advanced Boiling Water reactor (ABWR). All parties have signed a formal charging agreement and regulatory nuclear interface protocol. These documents make clear that all costs for assessing the design will be charged to Hitachi-GE and will ensure formal arrangements for

engagement. The next step is for Hitachi-GE to submit documentation for assessment. This is expected in autumn 2013.

13. ONR and the Environment Agency will now begin formal preparatory work with Hitachi-GE.

#### Hinkley Point C

14. On 23 April, EDF Energy announced that it was scaling back its efforts on the proposed new build site at Hinkley Point C. ONR is liaising with EDF Energy to understand any implications of their announcement. In the meantime, preparation of plans for the pre-construction stage of the site will continue with the situation to be reviewed when more information becomes available.

#### Emergency Preparedness and Response

15. ONR received a letter of gratitude from the Permanent Secretary of Department of Energy and Climate Change for its work in bringing a multi agency safety and security exercise to fruition in March, which tested the government and emergency services response to an incident at a nuclear site. ONR was praised for its contribution to scenario development, umpiring and capturing lessons during the exercise.

#### Decommissioning Wylfa nuclear power station

16. Magnox has submitted an application for consent to start decommissioning Wylfa nuclear power station under the Environmental Impact Assessment for Decommissioning Regulations (EIADR). This will involve a public consultation period in which the environmental statement will be reviewed and commented upon. The consultation period runs from 7 May until 9 August 2013. Interested parties will be able to comment either online via a dedicated EIADR website, at libraries local to Wylfa, or at local HSE offices.