

<b>NUCLEAR SAFETY DIRECTORATE - BUSINESS MANAGEMENT SYSTEM</b>		
<b>BUSINESS MANAGEMENT MANUAL</b>		<b>BMM/001</b>
		ISSUE 004
Approved By: <i>Laurence Williams</i>	L G WILLIAMS	Issue Date: 12/10/04
Open Government Status: Fully Open		Review Date: 11/10/07

**OUR VISION:** "REGULATORY EXCELLENCE ACHIEVED THROUGH A CULTURE OF CONTINUOUS IMPROVEMENT"

**OUR MISSION:** "TO SECURE THE EFFECTIVE CONTROL OF HEALTH, SAFETY AND RADIOACTIVE WASTE MANAGEMENT AT NUCLEAR SITES FOR THE PROTECTION OF THE PUBLIC, WORKERS AND TO FURTHER PUBLIC CONFIDENCE IN THE NUCLEAR REGULATORY SYSTEM BY BEING OPEN ABOUT WHAT WE DO"

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## **1. INTRODUCTION**

1.1 This Business Management Manual is the top tier of a hierarchy of documents that make up the Nuclear Safety Directorate's Business Management System, (BMS). It sets out how NSD delivers the HSE Vision and Mission in the nuclear sector and effectively serves its stakeholders.

## 1.2 The manual is in two parts:

**Part 1** – deals with business management in NSD and the way we lead and manage the organisation, setting out the values, principles, policies, practices, roles and responsibilities which guide management behaviour in delivering the Mission and Vision.

**Part 2** – deals with the management of the BMS and how we ensure it remains a living system, which adequately serves to support and guide best practice in the way we work.

## **Part 1 - BUSINESS MANAGEMENT IN NSD**

### **2. THE BUSINESS CONTEXT**

#### **Health and Safety Commission**

2.1 The Health and Safety Commission (HSC) and the Health and Safety Executive (HSE) are statutory bodies.

2.2 The HSC is responsible to the Secretary of State for the Department of Works and Pensions, and also to other Secretaries of State, for the administration of the Health and Safety at Work etc Act 1974, and its relevant statutory provisions.

#### **Advisory Committees**

2.3 The HSC has a number of Advisory Committees. One is particularly important to the work of NSD. The Nuclear Safety Advisory Committee (NuSAC) advises the Commission and Secretaries of State on major issues affecting the safety of nuclear installations including nuclear safety research.

#### **Health and Safety Executive**

2.4 The Executive is a separate legal entity consisting of the Director General and two others currently, the deputy Director General for operations and the deputy Director General for policy. The HSE Board reports to the Executive, as shown in HSE organisation chart.

2.5 The Executive has day-to-day responsibility for preparing and enforcing health and safety legislation across a broad range of industries.

**The HSE Vision is to gain recognition of health and safety as a cornerstone of a civilised society and, with that, to achieve a record of workplace health and safety that leads the world.**

**The HSE Mission is to protect people's health and safety by ensuring risks in the changing workplace are properly controlled.**

2.6 HSE pursues its Vision and Mission through numerous activities, coordinated by a corporate strategy. NSD activities form part of HSE's overall Major Hazards programme. The range of NSD activities includes inspecting activities, giving advice, developing guidance and standards, initiating research, assessing safety documentation and ultimately through enforcing legislation. Further information on the work of the Commission and Executive can be found in the HSC Annual Report.

2.7 Under the provisions of the Health and Safety at Work etc Act 1974, employers are responsible for ensuring the safety of their employees and the public. For nuclear installations, further responsibilities are laid down within the Nuclear Installations Act 1965 as amended (NIA). The NIA requires that no person shall use any site for the purpose of installing or operating a nuclear installation, unless a licence has been granted.

#### **Nuclear Safety Directorate**

2.8 The Nuclear Safety Directorate (NSD) takes the lead in enforcing the Health and Safety at Work etc Act 1974 in the nuclear industry and is responsible for the implementation of the UK nuclear licensing system as required by the Nuclear Installations Act. It also sets operational policy and strategy for the regulation of nuclear sites, gives guidance, administers nuclear safety

research, supports the development and maintenance of international standards and the delivery of the Government's international nuclear safety and radioactive waste management obligations. It is led by its Director, who is also Her Majesty's Chief Inspector of Nuclear Installations.

2.9 NSD's mission is:

***To secure effective control of health, safety and radioactive waste management at nuclear sites for the protection of the public, workers and to further public confidence in the nuclear regulatory system by being open about what we do.***

2.10 NSD accomplishes its mission through:

- 1) Licensing sites where prescribed activities are undertaken, e.g. nuclear power plants, nuclear fuel enrichment, nuclear fuel fabrication, nuclear fuel reprocessing plants, radioactive waste management facilities, research reactors, radio isotope production facilities, Atomic Weapons Establishment's and naval dockyards (Rosyth and Devonport).
- 2) Assessing safety cases and submissions, to make judgements on the adequacy of licensees' operations.
- 3) Inspecting sites and enforcing compliance with the law and licence conditions at the above sites, providing assurance that nuclear safety is being managed properly.
- 4) Setting national nuclear regulatory standards and contributing to the development of international nuclear standards.
- 5) Initiating technical support work through its Nuclear Safety Studies programme. (Longer-term safety research of a more generic nature is sponsored in partnership with other parties who have a common interest, under an HSE co-coordinated research programme).
- 6) Supporting the DTI and other Government Departments in their nuclear safety obligations.

2.11 The nuclear safety policy activity is the responsibility of DTI for commercial industries and MOD for defence. Coordination with these Departments is performed by the Nuclear and Hazardous Industries Policy Division, with which NSD has close liaison.

2.12 To achieve its Mission NSD has to interface with a range of stakeholders including Licensees, other parts of HSE, other Government Departments, the public, international organisations and NuSAC. The full range of interfaces is set out in the attached map, 'Interfaces Between NSD and its Stakeholders'.

2.13 NSD also takes part in world-wide efforts to maintain and improve nuclear safety through organisations like the International Atomic Energy Agency (IAEA), the Nuclear Energy Agency of the OECD, the International Nuclear Regulation Association (INRA), the West European Nuclear Regulation Association, (WENRA), and through exchanges of technical information with the nuclear safety inspectorates of other countries.

2.14 The work of NSD contributes to HSE's major hazards programme its strategy and business plans. NSD produces a three-year Strategic Plan. From this, and based on the funding provision for the coming year, an annual Plan of Work is developed that focuses on the major operational

issues that NSD intends to address during the year (April to March). These plans establish Strategic Goals, related Key Performance Outcomes, Key Performance Indicators and, in view of the importance that NSD attaches to its staff, linked plans consider issues such as training and development. This activity is recognised as important for the achievement of immediate work objectives, and ultimately NSD's vision and mission.

2.15 The Directorate's Plan of Work sets out the main items of work to be carried out by each Division, the time scales and where appropriate, performance measures. These are in turn, reflected in the Plans produced by the Units within each Division and in the Performance Agreements of individual members of staff. There is therefore a direct link between an individual's performance agreement and the Directorate's work plan. The Directorate also has a detailed international programme to deliver its benchmarking activities and the delivery of the UK's international nuclear safety obligations.

2.16 The majority of the costs of operating NSD are charged to the nuclear licensees. The Directorate therefore has a planning and financial control system, to ensure that this function is performed correctly and efficiently. This requires discussion between the Directorate and the licensees, in order that the potential resource implications can be quantified, thereby enabling a considerable degree of planning. This ensures the prioritisation of resource allocation and appropriate charging of licensees.

2.17 NSD also oversees the work of two HSE Corporate Topic Groups (CTGs) – for Radiation and Electrical and Control Systems.

### 3. ORGANISATIONAL STRUCTURE OF NSD

3.1 The organisation of NSD has two main components:

- A **Business Management Structure** consisting of three industry focused Operational Divisions and one Strategy, Research and Business Support Division. The three operational Divisions are in effect integrated project teams to regulate specific sections of the nuclear industry. The heads of each Division report directly to the Director/Chief Inspector, and together form the core of the NSD Management Board (NSDMB); and,
- A **Process Management Structure** consisting of a series of management committees and other arrangements through which key business activities are managed.

3.2 In addition there is a Director's office to support the work of the Director and the NSDMB.

#### **Business Management Structure**

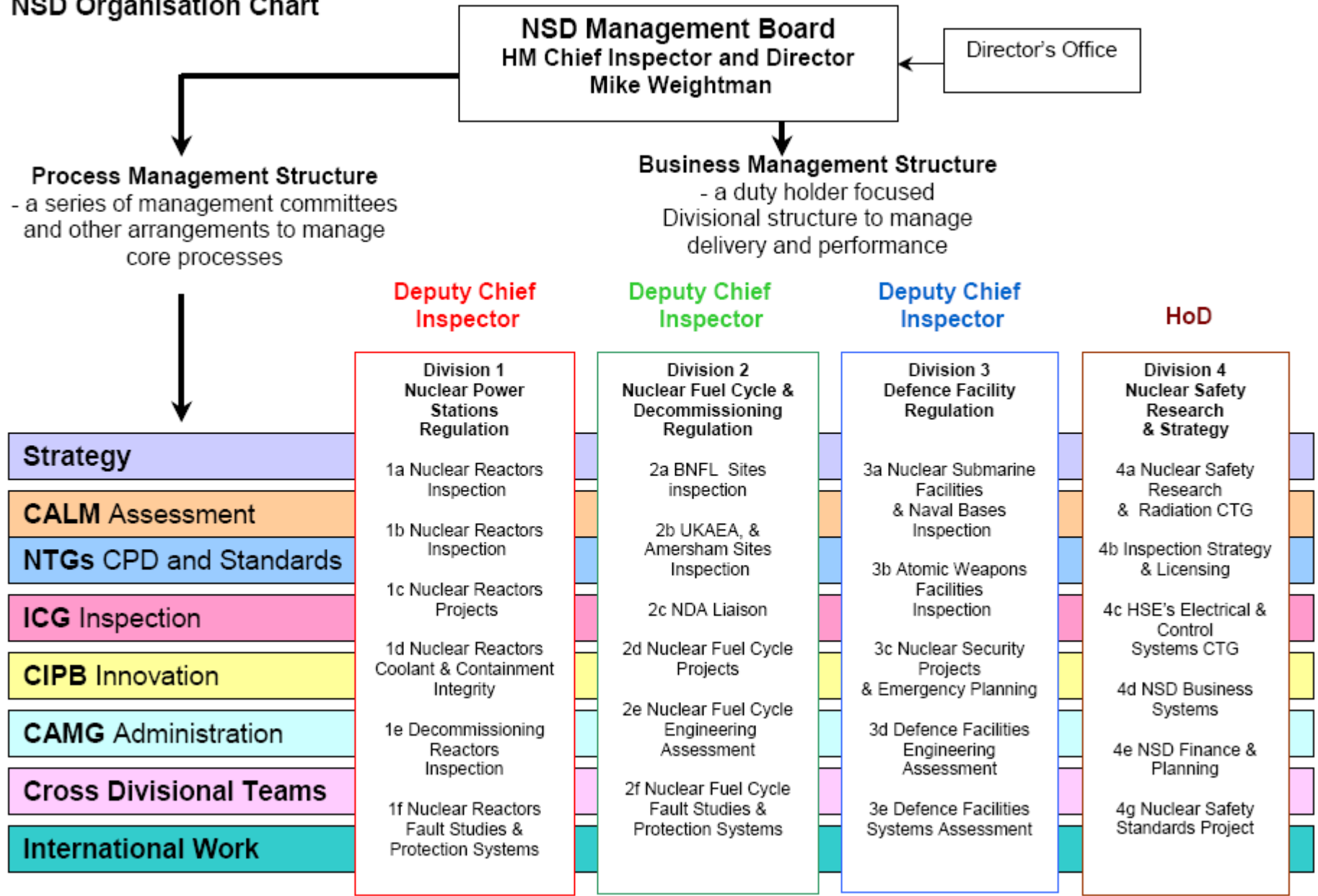
3.3 Each Operating Division acts as an integrated project team to regulate a part of the UK nuclear industry by permissioning and compliance inspection activities. Each is made up of staff with a range of skills and experience to handle these inspection, assessment and administrative functions effectively.

3.4 Each Division has been structured to focus on specific licensees or business areas as outlined below:

- Division 1: - Nuclear power plants including operating power stations and decommissioning reactors.
- Division 2: - Liabilities management, nuclear fuel fabrication, reprocessing, BNFL, UKAEA & Amersham.
- Division 3: - Defence, Security and Emergency Arrangements.
- Division 4: - Research & Strategy; Directorate Business Systems; and Finance & Planning. Division 4 also incorporates the HSE Electrical and Control Systems Corporate Topic Group, (Unit 4c), and the Radiation Corporate Topic Group, (Part of Unit 4a).

The staff in each Division are organised into Units to deliver the necessary regulatory management arrangements and these are illustrated below.

# NSD Organisation Chart



3.5 The Director's Office give direct support to the Chief Inspector and provide the secretariat for the NSD Management Board.

### **Process Management Structure**

3.6 The Process Management Structure consists of 4 key Management Board committees, which support the Board in managing the core processes of the business. These are: (roles and responsibilities defined later in section 5):

- The Corporate Assessment Liaison Meeting, (CALM), which coordinates safety assessment practice across the Directorate;
- The Inspection Co-ordination Group, (ICG) which coordinates compliance inspection practice and enforcement across the Directorate;
- The Continuous Improvement Programme Board, (CIPB) which coordinates the delivery of the Directorate's continuous improvement activity in line with the EFQM;
- The Corporate Administrative Management Group, (CAMG), which coordinates administrative practice across the Directorate.

In addition there are a series of Nuclear Topic Groups, (NTGs), under the oversight of Nuclear Topic Leads, (NTLs). For a series of defined areas the NTLs take the lead on the development of appropriate standards, continuous improvement and the continuing professional development of NTG members to promote consistency and excellence in regulatory work. Annex 6 of the BMM provides further detail on the scope and purpose of the NTGs and NTLs.

Other cross-Divisional work involves strategy formulation, international work and cross-Divisional teams formed where appropriate to take the lead on specific topics or to resolve corporate issues.

## 4. BUSINESS MANAGEMENT VALUES, PRINCIPLES & POLICY

### Values

4.1 NSD adheres to the 5 HSE values and expects staff at all levels to display behaviour, which is consistent with these values. In summary the values are:

#### Personal Responsibility

- we set a personal example in observing these values, particularly to those who look to us for guidance or help;
- we act with integrity, trust and honesty;
- we accept responsibility for our own decisions and actions.

#### Open and Communicative

- we communicate openly, consistently, and clearly;
- we are inclusive, accessible and listen to others.

#### Professional

- we all take pride in our work, and deliver quality results;
- we are all judged as authoritative and competent;
- we are objective, impartial, consistent and transparent.

#### Innovative and Learning

- we work with and learn from our extensive range of stakeholders and partners;
- we encourage creativity and new ideas, we are forward looking and alive to things that can and should be done better;
- we encourage continuous improvement in our own organisation and those that we regulate.

#### Valuing People

- we trust, respect and understand each other;
- we encourage diversity and value the contributions of all;
- we provide our employees with good and safe conditions of work, and expect others to do likewise.

The HSE core framework supports the application of these values in personal development, promotion and performance management.

#### Business Management Principles

4.2 Consistent with the values, the management of NSD is guided by three underpinning principles:

- The **principles of quality management**. This demands a structured systematic approach to what we do to achieve regulatory excellence, this includes:
  - a focus on performance management to deliver the Directorate's Strategic Plan
  - a management focus on meeting the expectations of all stakeholders

- sound systems of internal control to secure the effective management of business risk
  - the application of the EFQM model as a guide to management action and for use as a benchmark of performance
  - adoption of the IIP standard for the training and development of staff
  - the use of a structured, documented set of processes and procedures, proportionate to business needs, which in general terms satisfies the requirements of BS EN ISO 9001 'Quality Systems'.
- The **principle of continuous improvement** as a basis of promoting a culture of innovation and learning based on international benchmarking and international best practice, aiming for excellence whilst delivering efficiencies and increasing value for money, in line with Government Policies.
  - The **principles of knowledge management**, recognising that as a knowledge-based organisation it is necessary to maintain our expertise and capture corporate knowledge as a basis of effective performance, and also to maintain scientific, professional and technical expertise relevant to nuclear safety, promoting research where appropriate.

## **Business Management Policy**

4.3 HSE's policy in relation to nuclear safety regulation recognises the UK's international obligations and the policy of other key Government Departments such as DTI, MOD, DEFRA and FCO. All NSD work is performed within the framework of HSE Policy. The approach to regulatory activity is guided particularly by:

- HSC/E's Policy on Permissioning Regimes; and,
- HSC/E's enforcement policy, which requires - proportionality in applying the law and securing compliance; consistency of approach; targeting of enforcement action; transparency about how the regulator operates and what those regulated may expect; and accountability for the regulator's actions. These principles apply both to enforcement in particular cases and to the management of enforcement activities as a whole.
- A range of Memoranda of Understanding – see BMM Annex 5.

4.4 Within the framework of HSE policy, NSD's Policy is to undertake the following functions consistent with its values and principles:

- License nuclear sites;
- Regulate nuclear sites to ensure compliance with licence conditions and other relevant legislation;
- Provide expert advice to the HSC, HSE, Government, international bodies and other stakeholders on nuclear safety;
- Initiate nuclear safety research and evaluate its use and effectiveness;
- Participate in international activities, including benchmarking, standard setting, mutual support and regular liaison.

## 5. ROLES AND RESPONSIBILITIES

### 5.1 Director & Her Majesty's Chief Inspector of Nuclear Installations

#### Role:

To ensure the effective and efficient regulation of the UK nuclear industry through leadership of the Directorate and management of the NSD Management Board, to deliver the Mission, and realise the Vision, consistent with the values, principles, policies and strategies.

#### Responsibilities:

The NSD Director has the delegated authority for the licensing and day-to-day regulation of the UK's 40 nuclear licensed sites. This includes the legal power to grant or revoke nuclear licences and attach conditions to licences in the interests of safety and radioactive waste management at any time.

The NSD Director also leads on setting the strategic direction of NSD and managing overall performance in line with HSE/NSD Values, Principles, and policies through the NSD Management Board by:

- deciding the composition of the MB;
- clarifying the MB role and responsibilities;
- planning and running effective MB meetings in line with current arrangements, (See Appendix 1, Managing NSD Management Board Business), so that:
  - + the team focus on the key tasks and priorities for directing the organisation as a whole;
  - + there is adequate information to make decisions; and,
  - + all MB members participate effectively in making collective decisions;
  - + nuclear regulatory assurance is secured.
- developing MB members and reviewing MB effectiveness;
- delegating regulatory oversight of specific parts of the nuclear industry to his Deputy Chief Inspectors;
- representing NSD within HSE and both nationally and internationally at:
  - + the Nuclear Safety Advisory Committee and at national governmental level.
  - + international nuclear safety organisations and supporting other Government Departments in delivering the UK's international nuclear and waste management Obligations.

### 5.2 Deputy Chief Inspectors, (Divisions 1-3), and Head of Division 4

#### Role:

- As heads of operational Divisions, the Deputy Chief Inspectors of Nuclear Installations provide leadership to ensure the effective and efficient day-to-day regulation of licensees under their control.

- As Management Board members to contribute to making collective decisions about the direction and management of the whole organisation.
- As senior managers in charge of a Division to direct, lead and manage the Division in line with current strategy, business and improvement plans and account for performance.

### **Responsibilities:**

- Deputy Chief Inspectors have the delegated legal authority to regulate licensees under their control and have the power to sign Directions, Approvals, Specifications, Consents, Notifications and Agreements (see BMM Annex 2).
- Lead and manage Divisional performance in line with HSE/NSD Values, principles, policies and strategy, plans and BMM/BMS and other corporate procedures;
- Plan, monitor and review performance to achieve business objectives, business improvements and compliance with BMS procedures;
- Discharge specific roles assigned in BMS documents;
- Make a personal professional input to regulatory decisions, and to provide the Chief Inspector with assurance that the nuclear regulatory system is functions properly;
- Set priorities in their Division in line with enforcement principles and BMM Annex 5;
- Establish and maintain positive relationships with relevant stakeholders, representing NSD at national and international level;
- Act as Government Technical Advisers in the event of a nuclear emergency.

### **5.3 Management Board**

#### **Composition:**

The MB is composed of the Director, the Deputy Chief Inspectors, the Head of Division 4 and the Superintending Inspectors who lead CALM and ICG. (The Head of Division 4 also represents CAMG at the Management Board).

#### **Role:**

The MB is responsible for the effective and efficient management of NSD - setting NSD's direction and managing performance against NSD's strategy and annual plans. This includes:

#### **a. Establishing NSD vision and mission in line with HSE's overall policy.**

#### **b. Setting strategy, structure, resource allocation and career development, including:**

- Reviewing and evaluating present and future opportunities, threats and risks in the external environment; and current and future strengths, weaknesses and risks relating to the business;
- Deciding on the strategic options to be pursued, and deciding the means to implement and support them;
- Determining the plans that underpin the strategy in line with values, principles and policies;
- Ensuring that the organisational size, structure and capability are appropriate for implementing NSD's strategy and annual plans including HSE's statutory responsibilities and UK's international nuclear safety obligations;
- Allocating resources proportionately to deliver strategies, annual plans and unforeseen emerging demands to achieve best effect;
- Operating the Career Development Review Group, (CDRG), to ensure the development of staff.

#### **c. Delegating to management and monitoring performance, including:**

- Delegating authority to management for the delivery, monitoring and evaluating the implementation of policies, strategies and business plans;
- Determining monitoring criteria to be used by the MB;
- Ensuring Key Business Activities, (KBAs), meet business needs and those systems of internal control are effective to manage business risks and provide nuclear regulatory assurance;
- Communicating with senior managers and other staff.

#### **d. Accounting to stakeholders**

- Ensuring that communications to and from stakeholders are effective;
- Understanding and taking into account the interests of relevant stakeholders;
- Monitoring relations' with stakeholders by gathering and evaluating appropriate information;
- Promoting the cooperation and commitment of stakeholders.

#### **e. Providing advice to the Director on key regulatory decisions and HSE Board matters.**

### **5.4 The Corporate Assessment Liaison Meeting (CALM)**

#### **Composition:**

All Superintending Inspectors from Assessment Units, the Superintending Inspector from the Operational Strategy Unit and one Superintending Inspector from an Inspection Unit to represent ICG.

#### **Role:**

To be the authority within NSD on all aspects of assessment practices, procedures and guidance so as to deliver the correct assessment outcomes.

#### **Responsibilities:**

To facilitate the delivery of assessment performance outcomes while maintaining and developing assessment standards by:

- coordinating assessment approaches across NSD to promote consistency and proportionality;
- setting, reviewing and developing assessment standards and guidance in technical topic areas;
- providing a forum to identify new assessment challenges and develop Directorate wide assessment responses to them;
- providing a forum where topic group leaders can work together to develop the NTG role;
- working closely with the ICG.

### **5.5 The Inspection Coordination Group (ICG)**

#### **Composition:**

All Superintending Inspectors from Inspection Units, all Superintending Inspectors from Project Inspection Units, the Superintending Inspector from the Strategy Unit and a Superintending Inspector from an assessment Unit to represent CALM.

**Role:**

To be the authority within NSD on inspection and enforcement practices, procedures and guidance.

**Responsibilities:**

Deliver Inspection Key Performance Outcomes for NSD by:

- Developing objectives for inspection activities.
- Establishing and deploying adequate and consistent inspection planning and practices.
- Developing and maintaining appropriate and authoritative:
  - Principles & Standards
  - Procedures & Guidance
- Developing new and improved approaches to inspection.
- Providing authoritative advice to MB on site inspection activities.

**5.6 The Corporate Administrative Management Group (CAMG)****Composition:**

All admin managers in NSD. (The head of division 4 represents CAMG at the NSD Management Board).

**Role:**

On behalf of the MB to lead on the development and maintenance of common cost effective administrative procedures for NSD.

**Responsibilities:**

To deliver efficient and effective administrative support in NSD by:

- Assisting with the delivery of Divisional Plans by leading and managing administrative teams in line with HSE/NSD values **and performance outputs**;
- Initiating the development of new and improved approaches to administrative tasks and manage the implementation, consulting upwards if and when necessary;
- Providing consistency between Divisional administrative tasks through developing, maintaining and reviewing BMS procedures and guidance;
- Provide authoritative advice to NSDMB on administrative related matters, including developing recommendations and the mediation and resolving of administrative issues;
- Ensuring appropriate distribution of administrative resource across the Directorate to meet NSD's business needs;
- Ensuring the development of the administrative resource.

**5.7 Continuous Improvement Board (CIPB)****Composition:**

The Deputy Chief Inspector responsible for the CIPB, (Chair), Process Owners and other continuous improvement project leaders.

**Role:**

The CIPB role is to deliver continuous improvement for NSD by:

- Developing prioritised continuous improvement objectives; and,
- Establishing and deploying adequate, consistent and integrated continuous improvement plans and programmes.

### **Responsibilities:**

The CIPB is responsible for planning, coordinating, prioritising and monitoring the implementation of major change, including:

- Promoting innovation, learning and continuous improvement throughout NSD in line with the EFQM model and principles;
- Reviewing and prioritising the **significant issues** arising from reviews, assessments, audits and change proposals affecting NSD activities and agreeing those to be included in the CI programme and action plans;
- Agreeing and prioritising significant improvement and change activities by investment appraisal, balancing the need:
  - For operational effectiveness and efficiency;
  - To demonstrate adequate control of business risks as set out in the HSE Business Risk Model;
  - To demonstrate annual savings in line with corporate objectives;
  - To ensure an adequate rate of return by evaluating the chance of success, the likely impact, and value for money from the application of resource.
- Proposing to the NSDMB those significant improvements and changes that are worthwhile, and ensuring that proposals are adequate in terms of costings (including staff resources), activities, timing, benefits, implications and interactions with other activities, quality management, feasibility, rationale, risk management, communications, etc;
- Overseeing all significant improvement and change activity to ensure it is managed by proportionate project management methods and incorporated into Divisional work plans and personal performance objectives for managers and others;
- Advising line managers on communicating the need for the improvement and changes agreed by the NSD MB and acting as a central point of information on improvement and change activity for all staff;
- On behalf of the NSDMB periodically, reviewing, overseeing and if necessary re-prioritising the CI programme by considering:
  - Progress with the plans;
  - The outputs of action plans and offering views on the ongoing coordination of activity such that the results effectively integrate to form a mutually supportive system;
  - Changes which impinge on the CI programme such as, resource issues, fresh audits, reviews or assessments.

### **5.8 KBA 'Process Owners'**

#### **Role:**

On behalf of the NSDMB to lead and co-ordinate the maintenance and development of the procedures of an allocated KBA to ensure the Business Management Systems remains relevant and up to date - see Appendix 2 for process owner allocations.

#### **Responsibilities:**

Process owners:

- keep under review the structure and relevance of KBA procedures and initiate revisions or new procedures to meet changing needs, liaising with the BMS administrator as necessary;
- oversee and report on the 'health' of the arrangements for the effective management of the KBAs in scope, taking account of the relevant aspects of the EFQM;
- undertake 3 yearly KBA reviews – see paras 9.16 – 9.19.

## 5.9 Superintending Inspectors

### Role:

Lead and manage the Unit in line with current strategy, Divisional business and improvement plans and account for performance.

### Responsibilities:

- Where they are an NTL discharge the role and responsibilities set out in Annex 6 of the BMM;
- Where they are a member of ICG or CALM discharge the roles and responsibilities set out above;
- Make a personal professional input to plans of work and other Unit activity;
- Lead and manage Unit performance in line with HSE and NSD values, principles, policies and strategy, Divisional and Unit plans and BMM/BMS and other corporate procedures;
- Plan, monitor and review Unit performance to achieve core business objectives, business improvements, and compliance with BMS procedures;
- Provide nuclear regulatory assurance;
- Discharge delegated duties under BMM Annex 2;
- Discharge specific roles assigned in other BMS procedures;
- Set operational priorities in line with enforcement principles in line with BMM Annex 5;
- Establish and maintain positive relationships with relevant stakeholders.

## 5.10 Business System Manager

### Role:

Develop and maintain the Directorate's business management processes and the BMS on behalf of the Director.

### Responsibilities:

Through the BMS Administrator the Business System Manager will:

- Maintain the BMS and evaluate system performance;
- Liaise with the Director's Office on the strategy for co-ordination and delivery of system audits and with the CIPB to review audit outcomes;
- Through the CIPB manage self assessments and reviews where necessary, co-ordinating the subsequent improvement programmes;
- Identify business and audit system improvements;
- Advise the Director on the future development of the Directorate's approach to business management.

## 5.11 Managers

**Role:**

Lead and manage the Unit/section in line with current strategy, Divisional business and improvement plans and account for performance.

**Responsibilities:**

- Where they are a Band 4 manager support the Head of Division in planning and managing the Division;
- Where they are a member of CAMG discharge the functions outlined above;
- Plan, lead, manage, Unit/section performance in line with values, principles, policies and strategy, Divisional/section plans and BMS procedures;
- Monitor and review performance to achieve core business and business improvement objectives and application of BMS procedures;
- Discharge any delegated duties under the BMS;
- Set operational priorities in line with plans;
- Establish and maintain positive relationships with relevant stakeholders.

**5.12 All Staff****Role:**

Work within the Values to deliver the HSE/NSD Vision, Mission, strategy and plans.

**Responsibilities:**

- Adhere to the requirements of the BMS procedures relevant to the job and the Key Business Activity being undertaken whilst performing regulatory and other planned and unplanned work activities;
- Inform line management or the Business System Manager or BMS Team of problems with, and possible improvements to the BMS using the PIFF system, (See DBP 003);
- Participate with managers in planning, monitoring and reviewing performance and in improvement activities, for example, audits, reviews etc.;
- Perform document review in accordance with the appropriate Directorate Business Procedures (where identified as the 'author' of specific BMS documentation).

## Part 2 - THE BUSINESS MANAGEMENT SYSTEM

### 6. PURPOSE AND STRUCTURE

#### Purpose

6.1 The BMS is a structured, proportionate documentation of the essential business management processes of NSD. It forms the basis of an integrated coherent approach to leading, directing and managing NSD, which incorporates the best practice captured in the EFQM model for quality management. It is consistent with the requirements of BS EN ISO 9001 'Quality Systems' and HSE's quality management arrangements.

#### Structure of the BMS

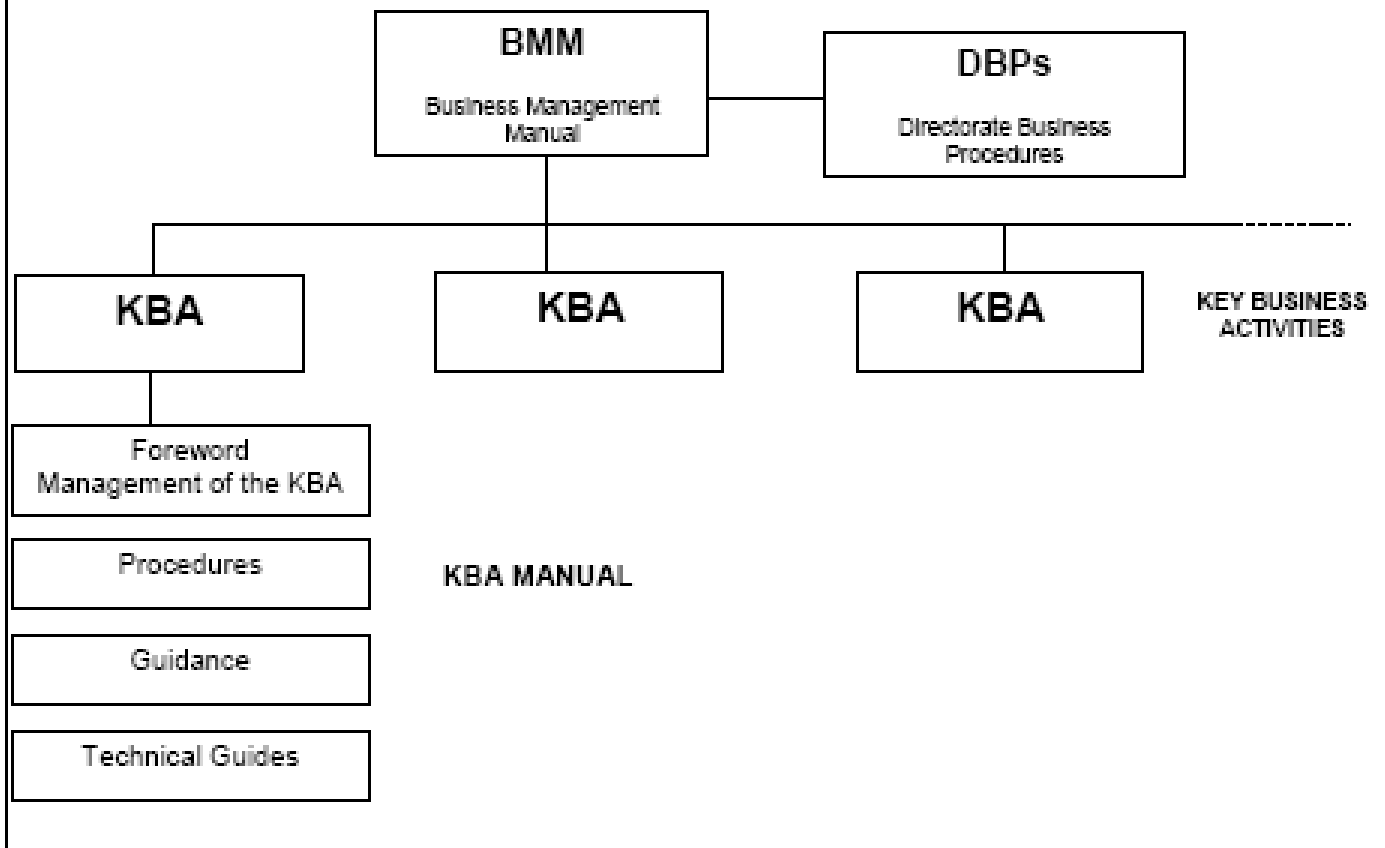
6.2 The BMS has two main components:

- This **Business Management Manual**, (BMM), which sets out the arrangements for managing NSD. This is supported by:
  - a set of Directorate Business Procedures (DBPs), which apply across the Directorate and establish a means for the operation and maintenance of the BMS. They cover topics such as document control, review, audit etc. These procedures establish a consistent approach to the application of the BMS, and to the generation and control of the documentation that supports it; and
  - a number of Annexes, which cover organisational roles not set out in the manual itself.
- **Procedures and guidance for controlling the Key Business Activities** (KBA) of NSD. These documents form the process control system, which assures delivery of the Vision and Mission consistent with the values, principles and policies. The rationale for this part of the BMS is described in more detail in the following section.

6.3 Each part of the BMS is arranged in a similar format and structure to aid navigation by users and to promote systematic application.

6.4 Figure 4 represents a schematic of the structure of the BMS. It shows the BMM as the top-level document supported by the suite of DBPs, and under which the various policies and procedures are set out within the appropriate KBAs.

Figure 4 – Structure of the Business Management System



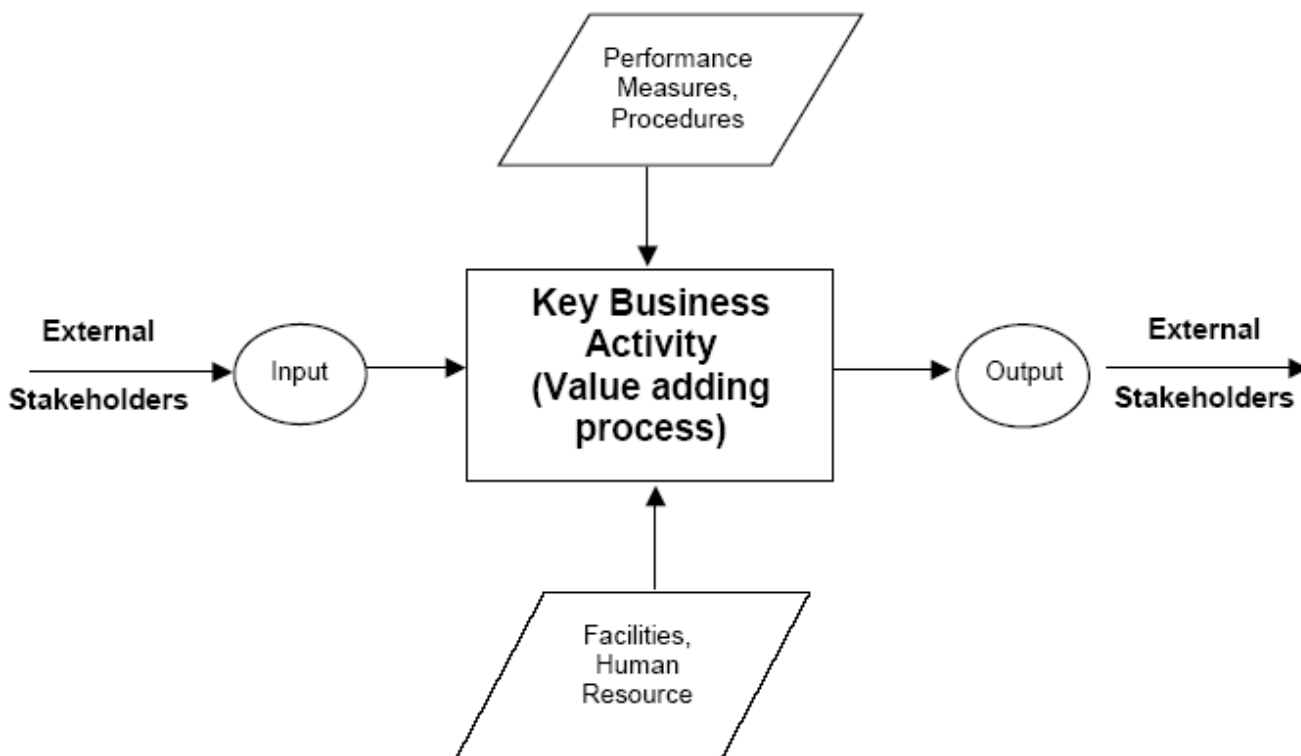
## 7. PROCESS MANAGEMENT

### KBA Structure

7.1 KBAs are the processes, which are fundamental to the pursuit of NSD's Vision and Mission. They represent the core 'value adding' activities that NSD perform

7.2 In essence, KBAs take outputs e.g. information from stakeholders and use them as inputs to NSD's processes. These processes add value to these inputs and the resultant outputs are then transmitted to the appropriate stakeholders. **Figure 5** is a schematic of this process.

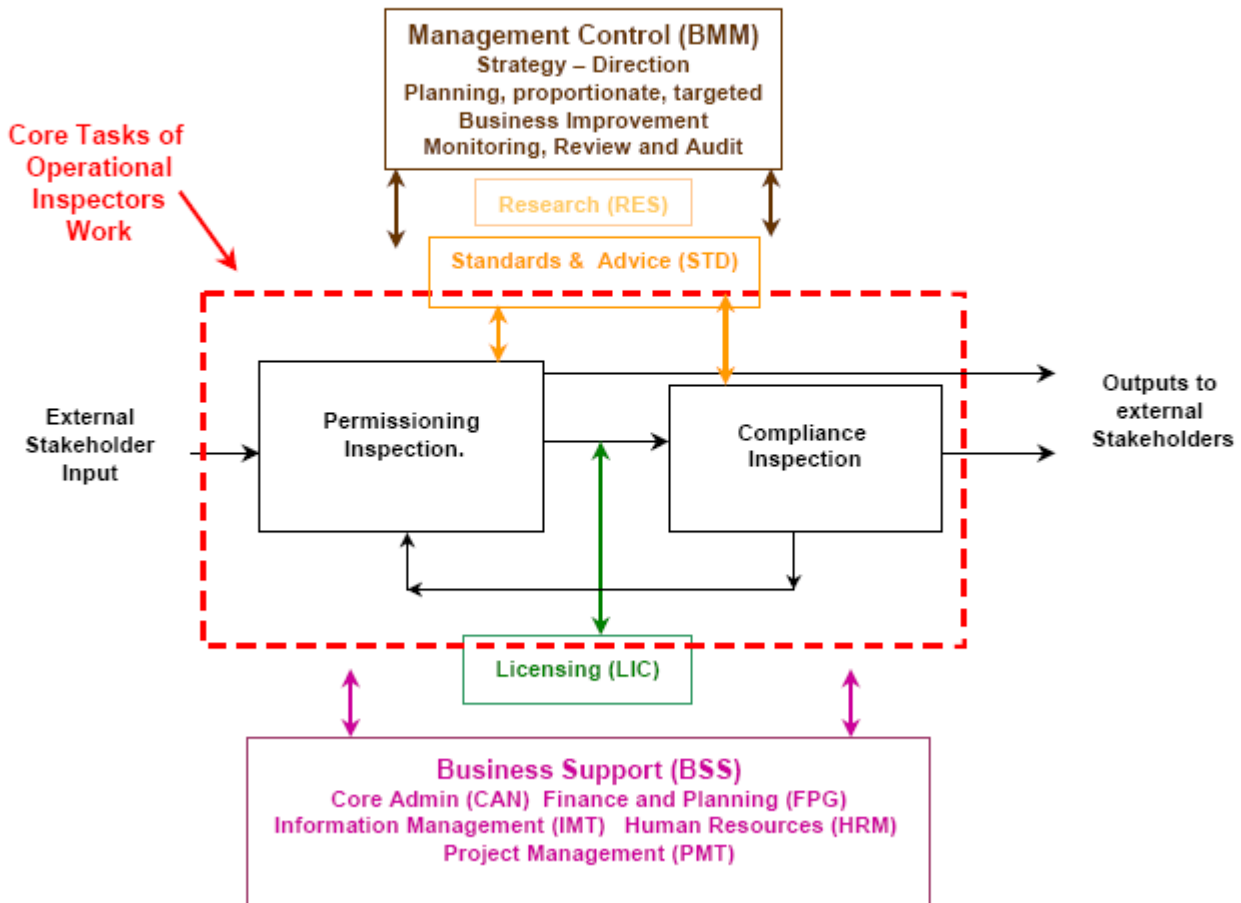
Figure 5 – Key Business Activity



7.3 The KBAs are inter-related, each with its input/process/output structure. The inputs and outputs of the KBAs are linked to create an integrated and coordinated management of all activity.

7.4 The KBA 'map', (**Figure 6**), shows the main inter-relationships and links as they apply to the core business of nuclear regulation. **KBAs are the basis of managing and controlling NSD work and they apply to all who carry out the process irrespective of their position in the organisation.**

Figure 6 – NSD KBA ‘Map’



## Management of Key Business Activities (KBAs)

### KBA Manuals

7.5 There is a common approach to the management of key business activities.

7.6 A KBA manual sets out how each KBA will be managed in line with the corporate values, principles and policies. This consists of a suite of documents consisting of:

- 1) **A Foreword** – which identifies the ownership of the KBA and sets out the purpose and scope of the KBA, the general policy and responsibilities for its management and those who authorise KBA documents. (Current KBA owners are set out in Annex 2).
- 2) **Procedures** for controlling the sub-processes and tasks, which make up the KBA. Procedures set out the series of value adding steps to carry out, the decisions to make and the relevant criteria for decision-making.
- 3) **Guidance** to support the implementation of procedures and to guide the decision-making required by procedures.
- 4) **Technical Guides** in some KBA manuals, which provide guidance on technical issues and technical decision-making. The Technical Assessment Guides (TAGs) provide technical guidance on the application of the Directorate’s Safety Assessment Principles. The Technical Inspection Guides (TIGs) provide technical

guidance on the interpretation of Licence Conditions, and other guidance for Site Inspectors.

## **Document Structure**

7.7 For consistency all BMS documents adopt the following common format:

- 1) Purpose and scope;
- 2) Policy – where relevant;
- 3) Roles and responsibilities;
- 4) Definitions;
- 5) Procedures;
- 6) Associated Documents.

## **8. DOCUMENT CONTROL**

8.1 The Directorate Business Procedures stipulate the processes required for the management and operation of the overall process control system.

8.2 All procedures shall be drafted, approved, controlled and reviewed in accordance with the relevant DBPs. Any policy or procedure produced within NSD which does not conform to the processes laid down in the Directorate Business Procedures will have no validity.

### **Production and Approval of System Documents**

8.3 The approvals process ensures that:

- 1) all procedures and documents are in accord with the current relevant policy;
- 2) an existing procedure would not suffice, and there is no duplication in procedures;
- 3) drafting takes account of the views of those who will apply the procedures and those who may be affected by them, and in the case of a revision of a document account is taken of relevant PIFFs.

### **Control**

8.4 The control of all System Documentation is the responsibility of the Business System Manager/BMS team. However, KBA owners and document authors maintain responsibility for the adequacy of the content of the documents in liaison with the Business Systems Manager/BMS team. The Business Systems Manager/BMS team will ensure that all System Documentation is controlled such that:

- 1) the Directorate Business procedures, (DBPs), which cover the issue of BMS documents are adequately maintained;
- 2) all documents in the system are current;
- 3) all controlled documents are properly approved and signed;
- 4) all documents are issued with a unique control number;
- 5) all documents are distributed to the appropriate posts and locations, as specified in the distribution list, including the relevant IT drives and the HSE Intranet;
- 6) details of all documents are entered on the Index database.

8.5 To assist in document control, the BMS team shall maintain an Index database of documents controlled within the system. The database will hold details of:

- 1) date of issue of original document;
- 2) version number, and date of current version;
- 3) date for review;
- 4) issue number (unique to each recipient/location); the author for undertaking maintenance and review (see Review Procedure);

5) details of any amendments issued; and

6) documents referenced by policies and procedures.

## **Business Records**

8.6 Business records are those records, which are needed to demonstrate the effective operation of the BMS, and therefore NSD's performance.

8.7 Within the BMS, business records are categorised into two groups:

- Vital records, and
- evidential records

## **Vital Records**

8.8 Vital records are those records that are vital to the operation of the Directorate, and include such documents as Site Licences, Consents etc.

## **Evidential Records**

8.9 Evidential Records are records other than vital records that are required to demonstrate the effective operation of the BMS. For example site visit reports.

8.10 The Business Support KBA details the policies and procedures for the handling, retention, and recovery of all Business Records.

## **Accessing the BMS and Document Control**

8.11 BMS documentation can be viewed electronically by either accessing the Key Business Activity Indexes through the Divisional Systems folder, or HSE's Intranet and then NSD's Home Page.

8.12 The Intranet allows users to quickly jump between associated documents using 'hyperlinks'.

8.13 Access via the Divisional Systems folder (available on individuals' PC Start Up screen) is always up to date and allows staff to access an index for each Key Business Activity area. The index identifies all the procedures and guidance documentation currently available under that heading and allows staff to open the document directly.

8.14 If staff require their own hard copy of a BMS document, then printing from the appropriate Index is best. **All staff should remember that if they take a copy of a BMS document, it is only current at that moment as all BMS documentation is constantly under review. Therefore, to be sure a correct procedure or guidance document is being used, staff should refer to it via the above routes, and not and 'uncontrolled' personal copy.**

## **9. PERFORMANCE AND CONTINUOUS IMPROVEMENT**

9.1 To ensure that NSD strives towards its vision of Regulatory Excellence, it aims to continuously improve all its activities, for example inspecting licensed sites, ensuring that its staff are competent and maintaining high standards of morale.

9.2 Consequently this manual must be a living document that describes the management system currently established. In line with the Directorate's policy of continuous improvement, all members of staff are encouraged to propose improvements via their line manager or directly to the Business System Manager or their team.

9.3 Corrective and/or preventative actions within the BMS will be taken in response to complaints from stakeholders (when found to be justified), and to address areas of weakness identified during audits, reviews and other methods of monitoring system performance.

9.4 In order to achieve continuous improvement there are five elements involved in the review of system performance, namely:

- 1) staff suggestions, observations;
- 2) audit;
- 3) annual review;
- 4) KBA Review;
- 5) European Foundation for Quality Management Excellence Model re-assessments.

### **Staff Suggestion (Process Improvement Feedback)**

9.5 The most fundamental route to continuous improvement is initiated by staff when, as they use the system, they identify scope for system improvements e.g. that a procedure is deficient or no longer applicable, or that they cannot work within a policy. In such cases staff should report the situation to the BSM/BMS team directly, or via their line manager. A 'Process Improvement Feedback Form' (PIFF) found in DBP 003 is provided to enable feedback to be recorded and followed up.

9.6 In all cases the BSM will ensure the document owner is notified of the 'feedback' and asked to address the comments. Any resulting re-issue of a document will be managed in accordance with the appropriate Directorate Business Procedures. However, if the feedback does not require urgent attention then the BSM will bring the comments to the attention of the document reviewer at the time of the regular review.

### **Audit**

9.7 The audit process is central to making systematic improvements to the BMS. Comprehensive periodic audits are performed against a documented audit plan, thereby ensuring that activities comply with the laid down policies, procedures and standards.

9.8 The audit programme is designed to ensure that systematic deficiencies are highlighted in the form of non-conformities. These form a trigger for the implementation of improvements.

9.9 The NSD Directors Office (on behalf of the NSD Director) is responsible for the preparation and implementation of the internal audit programme. This programme is arranged so that all key

NSDs regulatory activities, including their administrative support, are audited over a 4-year rolling programme. Audits are generally in line with BS EN ISO 10011 and the details contained in the audit procedure (DBP series). This procedure will be reviewed and amended as necessary. The Director's Office will prepare an annual audit programme for agreement by the NSDMB, ensure that there are adequate trained auditors in NSD and maintain a schedule of actions arising from audit.

9.10 Outcomes from audit will be reviewed by the CIPB; the Business System Manager will arrange this. Formal submission of audit reports will be to the Director and the appropriate staff will be required to respond to agreed audit findings, implementing suitable improvements, both corrective and preventative where appropriate incorporating them within the planning cycle. Audit findings are an important input to the continuous improvement process.

9.11 Audits may from time to time be procured from organisations external to NSD. Where this is to be undertaken, a clear remit shall be generated to dictate their purpose.

9.12 Audits shall only be undertaken by suitably qualified and experienced staff.

### **Annual Review**

9.13 To facilitate this Annual Review, the BSM will present an annual report on the performance of the BMS to the Director and NSDMB. The report will detail the outcome of the audit programme, and any KBA reviews and EFQM assessments that have been performed during the previous year. It shall also include recommendations derived from the above activities for inclusion in the following years operating plan. Similarly recommendations from other sources that the BSM believes will enhance the effectiveness and efficiency of the BMS shall be considered.

9.14 NSDMB will consider the recommendations of the Annual Review, with the intent of effecting further improvements to the BMS.

9.15 The main purpose of the Annual Review will be to:

- 1) Determine the overall effectiveness of the system, including the audit function;
- 2) Consider major findings, trends, etc., identified via feedback and the improvement programme;
- 3) Implement appropriate corrective actions for issues or non-compliances arising from feedback or the review of the audit programme;
- 4) Consider other evidence of poor performance, and initiate actions to secure the necessary improvements;
- 5) Approve or suggest improvements to the audit schedule and other activities proposed by the Business System Manager.

### **Key Business Activity Reviews**

9.16 The Annual Review is based largely on the results of the audit programme. There is a need for a wider ranging but less frequent review of each of the KBAs.

9.17 These reviews shall consider more strategic aspects rather than individual policies or procedures or implementation. For example, whether there is a need for development of the

scope of an Activity in the light of changes in the Directorate's external environment, or whether the procedures for controlling an Activity have become excessive.

9.18 It is suggested that the review of any KBA shall not be more frequent than once in three years, except if specifically called for. This review process is independent of the requirement for changes to be implemented in light of feedback/audit.

9.19 It is the responsibility of the KBA owner in collaboration with the Business Systems Manager on behalf of the Director to ensure that these reviews are performed, properly recorded, and their conclusions reported to the NSDMB.

### **European Foundation for Quality Management Excellence Model (EFQM)**

9.20 The European Foundation has developed the 'Model' for Quality Management from the original Business Excellence Model (BEM). Assessment against the EFQM provides a diagnostic framework, which allows NSD to monitor its performance, identify strengths and areas for improvement, prioritise improvement activities and measure overall effectiveness. As such, the EFQM is a strategic tool that can assist in the identification of strengths and areas for improvement in NSD's systems, direction and culture.

9.21 Topics from the Investors in People initiative will be absorbed within the improvement programmes associated with the appropriate EFQM assessments.

9.22 The BMS accommodates the continuing use of the EFQM as a tool for monitoring the performance of the Directorate and its management systems at a strategic level. Results of assessments against the model will be utilised to facilitate continuous organisational improvements.

9.23 The BSM on behalf of the Director is responsible for the programme of assessments carried out using the EFQM, and for the development and co-ordination of NSD's Continuous Improvement Programme.

9.24 Outputs from assessments against the model shall also be utilised as inputs for reviews.

### **Associated Business Management Manual Annex**

**Annex 1 Definitions used in Business Management System**

**Annex 2 Delegated Authorities**

**Annex 3 Managing Continuous Improvement Change in NSD**

**Annex 4 Management of Health and Safety**

**Annex 5 Memorandum of Understanding**

**Annex 6 Topic Leads, Groups and nominated specialists**

**Annex 7 Management Committees - Terms of Reference (eg CALM, ICG, etc)**

## MANAGING NSD MANAGEMENT BOARD, (MB), BUSINESS

This annex sets out the arrangements for the management of NSD Management Board business including how the agenda for board meetings are planned, how information and papers are presented and how meetings are run.

### Purpose of the NSD Management Board

1. The NSD Management Board meets to conduct essential Directorate business. It is the primary forum by which the Director, Heads of Divisions and key senior managers meet to discharge the roles set out in the BMM. Business affecting only part of NSD should be resolved outside the MB meetings.

### Frequency of Meetings

2. The MB meets regularly 11 times a year to conduct routine business. Special meetings are arranged as needed to meet other specific demands.

### Meeting agendas

3. Meeting agenda are made up of 3 components:

- routine items considered at every meeting, i.e.:
  - a. *Staff Matters*
  - b. *Health and Safety in NSD*
  - c. *Financial and Regulatory Performance*
  - d. *Policy Matters*
  - e. *Continuous Improvement*
  - f. *Review/Update of last MB actions*
- items, which require attention periodically as part of the HSE and NSD planning and performance review cycle. i.e.:
  - a. *Sickness Absence Update – 3 monthly*
  - b. *HSE H&S Annual reports – Annually – May*
  - c. *Agreement of NSD Plan of Work – Annually - May*
  - d. *Review of NSD's Performance, including Review of HSE/NSD's Strategic Plan & 5 month progress report against NSD Plan of Work (incl Key Performance Indicators) – Annually – October*
  - e. *Budget Allocations – Annually – April*
  - f. *Financial Performance- Review of the previous year – Annually – April*
  - g. *Diversity – 3 monthly*
- items raised by MB members in advance of the meeting which have relevance to the corporate leadership and management of NSD

4. *Draft* agendas are circulated at least 1 week or 5 working days prior to meeting with relevant papers usually at least 3 days in advance of the meeting. Only in exceptional circumstances will items not on the agenda be considered.

5. Any manager or member of staff can ask for an issue to be discussed at the MB, though this must have relevance to the corporate business of NSD and be raised through line management to the appropriate Head of Division.

### **Information and papers**

6. Routine information presented to the MB includes:

- *Health & Safety in NSD, i.e. RIDDOR information*

7. Information presented periodically to progress the planning and performance review cycle includes:

- *Update on NSD's financial position*
- *Budget Review information*
- *Budget Allocations/Financial Position*
- *NSD's Financial Performance*
- *Progress of Divisional work plans*
- *Progress of HSE/NSD Strategic plan*
- *Staff in post information*
- *Sickness absence statistics*

8. Papers to be presented to the MB should:

- Follow the structure for HSE Board papers, using the headings appropriate to the circumstances, (See Microsoft WORD, File, New, HSE Templates, HSE BOARD).
- Clearly state the purpose and decision of the MB required, if any;
- Be circulated to all relevant affected parties as part of the consultation process and their views represented in the paper;
- Present a balanced argument and clear course of action, which best suits the needs of NSD as a whole.
- Be agreed by a Head of Division who should secure its place on an appropriate MB. *The paper is usually presented by the author with the support of the Division Head and/or other advisor.*

### **Preparation of and circulation of meeting notes and actions**

- *The notes/updated actions of the meeting are prepared and forwarded in draft to the Management Board (MB) members within 3 days for clearance/amendment and issued within 5 days of the meeting.*
- *Cleared notes/updated actions are forwarded to the Division Heads for cascading at Divisional Management Meetings (DMMs): Unit Heads and Band 4 Admin Managers.*
- *An electronic copy of the agenda, notes and papers are placed on the relevant area of **h:\nsdinfo\dir\_info\smg\_info** for viewing by NSD staff if required.*

**KBA 'Process' Owners**

**Business Management Manual and Annexes– NSD Management Board**

**Directorate Business Procedures – NSD Business Systems Manager**

**Assessment and related, TAGs (Permissioning Inspection) – CALM**

**Inspection and related TIGs (Compliance Inspection) – ICG**

**Project Management - CAMG**

**Licensing – Head of Unit 4B**

**Research – Head of Unit 4A**

**Standards and Advice - CALM**

**Core Administration - CAMG**

**Finance and Planning – Head of Unit 4E**

**Information Management – Head of Division 4**

**Human Resources – Head of Division 4**