



House of Commons
Public Accounts Committee

**The Nuclear
Decommissioning
Authority's
management of the
Magnox contract**

**Twenty-Eighth Report of
Session 2019–21**

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 23 November 2020*

The Committee of Public Accounts

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Contents

Summary	3
Introduction	4
Conclusions and recommendations	5
1 Understanding and managing the burden of nuclear decommissioning on the taxpayer	9
Uncertainty over the cost and timetable for decommissioning	9
Maximising the potential of assets	11
2 Meeting the future challenges of nuclear decommissioning	13
Shortages of the right skills	13
Departmental oversight and the new delivery model	13
Transparency about the scale and nature of the challenge	14
Formal minutes	16
Witnesses	17
Published written evidence	17
List of Reports from the Committee during the current Parliament	18

Summary

The cost of the long-term liability to decommission the UK's civil nuclear sites now stands at £132 billion, though by its nature this estimate is inherently uncertain. Even the cost to take the Magnox sites to the care and maintenance stage of the decommissioning process is highly uncertain, with the Nuclear Decommissioning Authority (NDA) currently estimating that it will cost anything from £6.9 billion to £8.7 billion. The timetable for completing this work is similarly uncertain, with a current estimate of anything from 12 to 15 years. Past experience tells us that these estimates could increase further. Efforts to produce a reliable estimate are made more difficult by the historical legacy of decommissioning being an afterthought when the nuclear industry was established, and poor records of what hazardous materials are on the sites. In this context, the NDA faces a considerable challenge to produce a reliable cost estimate. However, lack of knowledge about the sites was a significant factor in the failure of the Magnox procurement and original contract, which seriously damaged the NDA's reputation and has now cost the taxpayer in excess of £140 million, and it continues to be a major barrier to making progress. A further barrier is developing sufficient skills and capacity to decommission sites efficiently. That said, the UK nuclear industry possesses valuable technical skills and new technologies that could be better exploited to the benefit of the UK economy. The NDA also holds substantial assets in terms of land and employment opportunities that could be used to serve local communities.

The Department for Business, Energy & Industrial Strategy recognises that its oversight of the NDA has been weak in the past and we welcome the steps it is taking to provide stronger oversight and improved governance. Implementing the recommendations of the Holliday inquiry into the Magnox contract and the Department's 'Tailored Review' of the role of the NDA will be critical and the publication of these reports cannot come soon enough. We welcome the Department and the NDA's commitments to improve performance over the next 10 years. We also look forward to reviewing the latest quarterly performance reports which the Department has offered to send us, and note there is an enhanced commercial assurance review to consider all future commercial decisions. We will hold the Department and the NDA to account for their progress in improving the transparency of the nuclear industry and making a success of the new delivery and governance approach.

Introduction

The Nuclear Decommissioning Authority (NDA) is the government agency, sponsored by the Department for Business, Energy & Industrial Strategy (the Department), with responsibility for decommissioning the UK's civil nuclear sites that are no longer producing electricity. The NDA's estate includes 17 sites, 12 of which (10 power stations and two research facilities) had been managed by Cavendish Fluor Partnership (CFP) under a contract awarded in 2014 (the Magnox contract). In 2018 we reported on the catastrophic failure of the NDA's procurement and management of this contract. We reported that the failure had cost the taxpayer around £122 million and that a lack of commercial skills in the NDA, compounded by inadequate knowledge of the Magnox sites, were key causes of the failure. The NDA negotiated the termination of the Magnox contract with CFP in 2017, with a consequent additional £20 million cost to the taxpayer to leave the contract. In September 2019, after a two-year contractual notice period, the NDA brought the Magnox sites under the management of its wholly owned subsidiary, Magnox Ltd. We took evidence from both the Department and the NDA on the termination of the Magnox contract. The evidence covered a wide range of topics relevant to the NDA and the Department's management and oversight of the decommissioning of the UK's nuclear sites. This report, therefore, covers both the decommissioning of the Magnox sites and broader strategic challenges facing the Department and the NDA.

Conclusions and recommendations

1. **There remains significant uncertainty over the cost and timetable for decommissioning the Magnox sites and estimates continue to increase.** The NDA acknowledges that it does not have full understanding of the condition of the 17 sites across its estate, including the 10 former Magnox power stations. Consequently, there is significant uncertainty about how long decommissioning will take and how much it will cost. The NDA considers that it now has its best estimates yet of the cost and timetable for taking the Magnox sites to the 'care and maintenance' stage of the decommissioning process, but the latest estimates cover a very broad range of outcomes. The NDA now estimates that it will cost between £6.9 billion and £8.7 billion, between £1.3 billion and £3.1 billion more than its previous estimate made in 2017, and will take between 12 and 15 years for the Magnox sites to reach the care and maintenance stage of the decommissioning process. Our past experience suggests these estimates will soon be out of date and that costs may increase further. Reliable estimates of the potential costs and duration of decommissioning each site are important to support decision-making about the most efficient ways to decommission the sites and the order in which they should be tackled. We are concerned that the NDA's ambition to decommission more quickly and efficiently will be hindered by this perpetual lack of knowledge about the condition of sites.

Recommendations: *The Nuclear Decommissioning Authority should set out how it will develop a clearer means of reporting publicly on the level of uncertainty and risk across its sites.*

The Nuclear Decommissioning Authority should also set out how it will prioritise its work on its sites in order to decommission them in the safest and most efficient way.

2. **The uncertainty affecting the Magnox sites reflects a wider uncertainty about the costs and timetable of decommissioning the whole civil nuclear estate.** According to the NDA's most recent estimates it will cost the UK taxpayer £132 billion to decommission the UK's civil nuclear sites and the NDA estimates that the work will not be completed for another 120 years. The largest proportion of this cost is to clean up and decommission the NDA's largest site at Sellafield, but the cost to decommission the NDA's Magnox sites is also substantial, as is the liability associated with decommissioning the next family of nuclear power stations, known as the Advanced Gas-Cooled Reactors (AGRs). The money held in the Nuclear Liabilities Fund, which exists to fund the decommissioning of the AGRs specifically, was increased from £9.5 billion by an additional £5.07 billion this year to reflect the latest estimate of the work required. The NDA is consulting publicly about its strategy for cleaning up its nuclear sites. It may be possible to reduce the time it will take to fully decommission the sites of former nuclear power stations from around 85 years to more like 40–45 years. This could significantly reduce the long-term cost of decommissioning the sites as 40% of the overall decommissioning cost can be spent in maintaining, operating and safeguarding the sites while decommissioning activity is taking place. There is also an opportunity to save taxpayers' money by accelerating the programme to create a deep storage facility, known as the Geological Disposal Facility, to store highly radioactive waste that is currently held

at interim facilities at Sellafield and the sites of former power stations elsewhere in the UK. The NDA and the Department are consulting the relevant regulators and interested communities to identify a suitable site for such a facility, but were not able to indicate a timeframe in which it might be achieved.

Recommendations: *Taking into account the feedback from its public consultation, the Nuclear Decommissioning Authority should exploit opportunities to reduce the time taken to decommission its sites, and should identify the impact of such reductions on the cost profile.*

The Department and the Nuclear Decommissioning Authority should take whatever steps are necessary to provide a firmer estimate of the cost of decommissioning the sites of the Advanced Gas-Cooled Reactors so that the public has a more reliable indicator of the scale of the public liability.

The Nuclear Decommissioning Authority and the Department should make it a priority to progress their plans to find a location for a Geological Disposal Facility in order to reduce interim storage costs at Sellafield and elsewhere, and should confirm when they consider such a Facility might feasibly become available for the storage of waste.

3. **A shortage of the right skills within the Nuclear Decommissioning Authority and across the nuclear industry remains a significant barrier to progress.** In our 2018 report on the failure of the Magnox contract we were highly critical of the lack of skills—particularly commercial skills—in the NDA. There is also a shortage of technical skills in the pipeline. Since then, the NDA has increased its focus on recruiting experienced staff to its own executive team and to the leadership of its subsidiaries which manage the sites on a day to day basis. But recruiting the right skills remains a significant challenge, particularly with the NDA and its subsidiaries competing with the private sector for the same people. It is encouraging that the NDA and the Department are attempting to meet the skills challenge with, for example, the introduction of the nuclear graduate scheme to increase capacity in the sector as a whole. It is also encouraging to hear that 46% of the latest cohort to the scheme were women. The Department says that it has made its own improvements in capacity and capability to oversee the NDA's activities but, as we often see, salaries in the civil service mean that the Department risks losing skilled staff to private sector organisations in the industry.

Recommendation: *Within 6 months of publication of this report, the Department and the Nuclear Decommissioning Authority should publish a detailed plan for how they plan to meet the demand for skills across the UK nuclear industry over the next 5–10 years.*

4. **For the new delivery model to work, it will be vital that the Department exercises strong oversight of the Nuclear Decommissioning Authority and implements the findings of forthcoming reviews into the failure of the original Magnox contract and the role of the Authority.** Under the previous delivery model of outsourcing the decommissioning of nuclear sites to a 'parent body organisation' from the private sector, the Department was a further step removed from exercising oversight of the decommissioning process than it is now. Indeed, the Department

acknowledges that this led to it missing some of the problems that arose with the Magnox sites and contract. The Department tells us that its relationship with the NDA has changed, with improved oversight of both the NDA's strategy and progress with its major projects, a dedicated team in the Department looking at the NDA, and a representative of UK Government Investments on the NDA's own board who reports to the Department's accounting officer. But we remain concerned about the Department's capacity to oversee the NDA effectively, and about the number of players from different parts of Government who are involved. Key to learning lessons from the past and establishing appropriate oversight and governance will be implementing the recommendations of the Holliday inquiry into the Magnox contract and the Department's 'Tailored Review' of the role of the NDA. We welcome the Department's commitment to completing and publishing these reports as a priority, but it is frustrating and concerning that it is taking so long for these important reviews to be published.

Recommendations: *On publication of the Holliday report and tailored review, the Department and the Nuclear Decommissioning Authority should set out publicly what has been learnt from them and how the reports are being used to inform the development of the new delivery and governance models.*

In responding to this report, the Department should set out clearly its rationale for relying on UK Government Investments to represent it on the Board of the Nuclear Decommissioning Authority, rather than such oversight being provided directly by its own team which is dedicated to looking at the NDA.

5. **The Nuclear Decommissioning Authority is not doing enough to exploit its various assets, either for the benefit of local communities or the UK economy as a whole.** The UK was the first country to establish a civil nuclear power generation industry and is still a world leader in nuclear decommissioning. It can point to some notable achievements in relation to the decommissioning of the Magnox sites alone, such as the successful defueling of all the Magnox reactors which has reduced the level of radioactivity on the sites by 95%, and the largest clean-up of asbestos waste to have been undertaken in Europe at Chapelcross. Furthermore, the NDA has provided advice and exported skills to other countries, including Japan in relation to the clean-up of Fukushima and the Ukraine in relation to Chernobyl. The NDA receives around £800 million a year in income from its commercial activities. Given the expertise and technologies which the NDA and the UK nuclear industry have developed over the years, there are further opportunities, in fields such as Artificial Intelligence and robotics, with export potential which could benefit the UK economy and provide jobs for people in local communities. The NDA also owns and occupies substantial amounts of land. It is encouraging to hear that around 50 acres of land at Harwell has been released and is currently home to a manufacturing centre for coronavirus vaccine. The NDA's wider estate contains land which could be exploited for commercial and socially beneficial use and could provide much needed employment in nearby communities.

Recommendation: *The NDA should develop a strategy for maximising the economic benefits of developing and, where appropriate, exporting its knowledge and assets to alleviate the burden on the taxpayer. These include the skills and experience of the UK nuclear industry, the decommissioning technologies it has*

developed, and the land and other physical assets the NDA holds.

6. **Public accountability is hindered by a lack of transparency about the scale and nature of the challenge of decommissioning and the performance of the NDA.** Nuclear decommissioning will cost current and future generations of taxpayers' substantial sums of money and has a significant impact on the lives of those who live near one of the NDA's sites. However, little information about, for example, the timescales for completing decommissioning work and returning land to communities is readily available to the public. Greater transparency about progress with decommissioning would improve public accountability, help to stimulate improved performance, and increase the visibility to local communities of the activities and opportunities available on NDA sites.

Recommendation: NDA should be more transparent about its current and future plans with the local communities surrounding its 17 sites to strengthen public accountability and make clear the socioeconomic impact of its planned activities.

1 Understanding and managing the burden of nuclear decommissioning on the taxpayer

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Department for Business, Energy and the Industrial Strategy (The Department) and the Nuclear Decommissioning Authority (NDA) on the decommissioning of the UK's Magnox power stations and other civil nuclear sites.¹

2. The Nuclear Decommissioning Authority (NDA) is the government agency, sponsored by the Department for Business, Energy & Industrial Strategy (the Department), with responsibility for decommissioning the UK's civil nuclear sites that are no longer producing electricity. In 2018 we reported on the failure of the NDA's procurement and management of its contract to manage the decommissioning 12 of its 17 sites. We reported that the procurement had cost the taxpayer around £122 In September 2019, after a two-year contractual notice period, the NDA brought the Magnox sites under the management of its wholly owned subsidiary, Magnox Ltd.²

Uncertainty over the cost and timetable for decommissioning

3. According to the NDA's most recent estimates it will cost the UK taxpayer £132 billion to decommission the UK's civil nuclear sites and the NDA estimates that the work will not be completed for another 120 years. By far the largest proportion of this cost is to clean up and decommission the NDA's largest site at Sellafield,³ but the cost to decommission the NDA's Magnox sites is also substantial, as is the liability associated with decommissioning the next family of nuclear power stations, known as the Advanced Gas-Cooled Reactors (AGRs). The decommissioning of the AGRs specifically is funded through the Nuclear Liabilities Fund, which is reported in the Department's accounts. Earlier this year, that balance stood at £9.5 billion, but recently the Department topped it up with an additional £5.07 billion.⁴

4. In recent years the NDA's estimate of the cost of decommissioning the Magnox sites has also increased significantly. In 2014, the NDA let a contract with Cavendish Fluor Partnership (CFP) to clear and enclose the Magnox sites—to enter what the NDA calls the 'care and maintenance' phase—based on CFP's bid of £3.8 billion to complete the work. In 2017, the NDA's estimate increased to £5.6 billion and the NDA now estimates that it will cost between £6.9 billion and £8.7 billion, a further increase of between £1.3 billion and £3.1 billion.⁵ There is similar uncertainty about the time it will take to complete the work: the NDA estimates that it will take between 12 and 15 years for the Magnox sites to reach the care and maintenance stage of the decommissioning process. When pushed to provide us with a full and final figure for the cost of decommissioning the Magnox sites,

1 C&AG's Report, Progress report: *Terminating the Magnox contract*, Session 2019–21, HC 727, 1 October 2010

2 Committee of Public Accounts, *The Nuclear Decommissioning Authority's Magnox contract*, Session 2017–19, HC 461, 28 February 2018

3 Qq 16–17, C&AG's Report, *The Nuclear Decommissioning Authority: progress with reducing risk at Sellafield*, Session 2017–19, HC 1126, 20 June 2018, para 1.18

4 Q 30

5 C&AG's Report, Progress report: *Terminating the Magnox contract*, Session 2019–21, HC 727, 1 October 2020, para 2.17–2.18

the NDA could not do so and stated that this will not be possible until the work has been completed.⁶

5. The NDA explained that the wide range in estimates for both how long the job will take and how much it will cost is a consequence of the complexity of the work and the uncertainty about precisely what materials are contained in the storage facilities on the Magnox sites.⁷ As we reported in 2018, such uncertainty can lead to additional costs for the taxpayer. In our 2018 report we stated that the NDA's staggeringly inaccurate understanding of the state of its sites and its decision to adopt a contracting strategy which required a good grasp of the condition of the sites led to their underestimation of the scale and cost of task and to the decision to terminate its contract with Cavendish Fluor Partnership (CFP).⁸ The NDA has estimated the cost of termination of the contract to be around £20 million, which is in addition to the £122 million in compensation and other costs that resulted from the High Court's ruling that the NDA had wrongly decided the outcome of the original procurement process.⁹

6. The NDA told us that its current estimate of the cost of decommissioning the Magnox sites is based on the best understanding of the condition of its sites that it has had to date and that it is constantly seeking to improve its estimates.¹⁰ However, the NDA does not have full understanding of the condition of the 17 sites across its estate, including the 12 Magnox sites.¹¹ To explain why this is the case, the NDA likened the work required to clear the sites to an archaeological dig. This it said was largely because, during the development and operation of the sites from the 1940s onwards, very poor records were kept showing what was stored on the Magnox sites. Similarly, the precise location and extent of asbestos on NDA sites—a material used widely in construction in the 1960s and 1970s—remains unknown. In many cases, workers on NDA sites cannot understand the nature and severity of a hazard until they have entered a building. Where the NDA's assumptions about the hazard then prove to be wrong, the decommissioning project needs to be re-planned, which adds time and cost.¹²

7. An informed understanding of the sites is important to develop reliable estimates of the potential costs and duration of decommissioning each site and to support decision-making about the most efficient ways to decommission them and the order in which they should be tackled. The NDA considers that reducing the time it will take to fully decommission some of the Magnox sites from around 85 years to something more like 40–45 years could reduce the long-term cost of decommissioning the sites.¹³ This is because around 40% of the cost to decommission a Magnox site is in maintaining, operating and safeguarding the sites while decommissioning activity is taking place. Accelerating decommissioning work could reduce these costs.¹⁴ A public consultation on the length of time it takes to decommission the sites will end in November, and when that is complete the NDA will consider its outcome and, in parallel, look at the impact on the

6 Qq 13, 15

7 Qq 3–4

8 HC Committee of Public Accounts, *The Nuclear Decommissioning Authority's Magnox contract*, Session 2017–19, HC 461, 28 February 2018, summary para 3

9 C&AGs report 2020, para 5, 2.9

10 Q 3

11 Qq 3, 4, 55

12 Qq 3, 4, 6, 7, 13, 15, 16

13 Qq 13, 33

14 Qq 15, 33

spend profile.¹⁵

8. There is also an opportunity to save taxpayers' money by accelerating the programme to create a deep storage facility, known as the Geological Disposal Facility, to store highly radioactive waste that is currently held at interim facilities at Sellafield and the sites of former power stations elsewhere in the UK. Current international scientific advice is that the best thing to do with this type of waste is to store it underground, and other countries are seeking to take this approach. The NDA told us it was working with the Department, the relevant regulators and interested communities to identify a suitable site for such a facility. In common with most other countries with a nuclear legacy, the Department is following a consent-based process to identify a suitable site, which by its nature means the Department must wait until it has a community that is giving consent. It told us if it is ultimately not possible to run a consent-based process, then there are alternatives available to it, but its clear preference is to go down that path and to give it every chance of success as a first priority. Due to the uncertainties of this process, the Department was unable to indicate a timeframe in which a Geological Disposal Facility might be completed.¹⁶

Maximising the potential of assets

9. While the cost of decommissioning represents a substantial liability for the UK taxpayer, the NDA was keen to point out that it also raises substantial income—around £800m a year—through commercial opportunities including the export of advice, skills and technologies to other countries with nuclear sites to decommission. The NDA has provided advice to, for example, Japan in relation to the clean-up at Fukushima, Ukraine in relation to Chernobyl, as well as the US, France and Canada. It told us that the UK was a world leader in nuclear power generation from the 1950s onwards and is now a world leader in decommissioning of civil nuclear sites, providing opportunities for growth in this area that could be exploited further to increase income, particularly when working internationally.¹⁷

10. The NDA told us about some notable achievements in relation to the decommissioning of the Magnox sites to date: for example, all 26 Magnox reactors have now been defueled, and all the fuel taken to Sellafield for safekeeping, thereby reducing by over 95% the radioactivity on the Magnox sites;¹⁸ and in Chapelcross in south-west Scotland, the NDA had overseen the largest asbestos clean-up in Europe, with thousands of tonnes of asbestos cleaned up across turbine halls, heat exchangers, and the whole industrial complex.¹⁹ It also told us about new technologies being developed by the UK nuclear industry such as an innovative robot which was developed by a company in the north-west of England. By using the robot to carry out dangerous work to remove hazardous material, exposure for humans had been reduced, which makes it both safer and more efficient because robots can spend almost unlimited time exposed to radiation. The NDA is aiming to fund similar projects in the fields of artificial intelligence and robotics to help make decommissioning work safer, and noted that there has already been interest in the adoption of some of this UK-based technology internationally, including at Fukushima.²⁰

15 Q 74

16 Qq 39–43

17 Qq 71, 49

18 Q6

19 Q7

20 Qq 18, 19

11. The NDA owns and occupies substantial amounts of land that could be returned to communities or exploited for commercial or socially beneficial use, and could provide employment in nearby communities. For example, at its Harwell site the NDA said it had been able to excavate and give 50 acres of land back to be used for a new vaccine manufacturing centre. The NDA is also looking at opportunities to use land from its sites for green power generation including with hydrogen plants or solar farms. The NDA is aware of more land which could be returned but faces ongoing challenges with understanding and managing the hazards.²¹

2 Meeting the future challenges of nuclear decommissioning

Shortages of the right skills

12. In our 2018 report on the Magnox contract we identified that lack of commercial capability—including getting rid of the post of Commercial Director—contributed to the organisation being unable to manage the original Magnox contract effectively.²² The NDA informed us about a number of areas in which it has made improvements since then. It has, for example, strengthened the central executive team with a new commercial director, general counsel, operations director and a risk and assurance director. The NDA has also appointed a new Chief Executive of Magnox Ltd (the NDA's subsidiary responsible for day to day management of the Magnox sites), who has, in turn, recruited a new executive team. The NDA noted that having all the sites managed in-house helps to break down barriers and improve cooperation between teams and nuclear sites to bring about more standardisation of approach, improved learning and better efficiency. Nevertheless, the NDA admits that further capability is still required in some areas.²³

13. The Department and the NDA pointed to the increasing importance of developing skills across the industry. The NDA is taking steps to increase training opportunities to further develop technical skills that are in short supply in the UK and which are in high demand from the private sector and from projects to build new nuclear power stations, such as Hinkley Point C. The NDA told us that it has introduced a nuclear graduate scheme involving placements across the industry, which has had over 200 graduates since its introduction and 40 entrants in its most recent cohort, 46% of whom were women. The Department and the NDA stressed the need to improve skills in science, technology, engineering and mathematics (STEM) across the UK more broadly and the Department emphasised the importance of working closely with the Department for Education to ensure the commitments on skills made by government and industry in the 2018 nuclear sector deal are met.²⁴

Departmental oversight and the new delivery model

14. The Department acknowledged the improvements which the NDA has made in developing its own skills and capability.²⁵ The Department also told us that, to improve its capability to oversee the NDA's activities, it had so far been able to retain high quality staff with relevant experience, despite the challenges of rewarding long service in central government, largely due to their commitment to the mission of making nuclear sites safe.²⁶

15. In September 2019, the NDA's Magnox contract with CFP ended following a two-year run off period, and the 12 sites transferred to the NDA under the management of its subsidiary, Magnox Ltd.²⁷ Under the previous model, the NDA essentially outsourced management and oversight of nuclear sites to the private sector. The NDA described

22 PAC's report, summary para 4

23 Q 44

24 Qq 45, 48

25 Q 48

26 Qq 57, 65 -67, 69

27 C&AG's Report, para 1.8

its intention to bring all of its major sites within its control rather than running them through a private sector consortium, with Dounreay in Scotland and the Low Level Waste Repository in west Cumbria being the last two major sites to be transferred to the NDA's management upon completion of those contracts' 12 month run-off periods. The NDA set out a number of potential advantages to the change in delivery model, including operating the sites as a family or federation of businesses and sharing lessons between sites more effectively. The NDA also said it intends to apply lessons from its experience of the run-off period from the Magnox contract to the remaining sites.²⁸

16. We asked the Department if it believed it now had sufficient oversight and governance arrangements in place to oversee what the NDA is doing. The Department admitted that under its previous governance regime it had missed some of the issues that led to the failure of the Magnox contract, but told us that the relationship between the Department and the NDA had since been transformed, with the Department now providing greater scrutiny. Since 2017, the Department has been represented on the NDA's Board by someone from UK Government Investments (UKGI) who can alert the Department about any emerging issues, and the Permanent Secretary of the Department has access to all NDA board papers and minutes. Since 2016, the Department has also had a dedicated team looking at the NDA which has grown over that period, and which interacts with the NDA in a stronger way than before. The Department receives a quarterly performance report which goes into detail across all the NDA group's major targets, and holds quarterly meetings with NDA officials which look at both the decommissioning strategy and policy and progress with specific projects, and the CEO of the NDA and Permanent Secretary of the Department meet separately every quarter to discuss progress.²⁹ The NDA also runs an enhanced commercial assurance process which looks at an early stage at commercial decisions that are coming down the track, and the Department is embedded directly into that process.³⁰

17. We asked the Department about the progress of the Holliday inquiry into the failure of the Magnox procurement and contract which was launched in 2018, and of the Department's 'Tailored Review' of the role and governance of the NDA. The Department committed to ensuring that these reports are completed and published as a priority, and said it expected the Holliday report to be published imminently and the Tailored Review by the end of the year.³¹ It said that the delays with the Holliday inquiry had been due to a number of legal challenges related to the inquiry, but that the Department had accepted all the conclusions of the inquiry's interim report and the most important forward-looking actions recommended in that report had now been taken. The Department also confirmed it would comply with the recommendation of our 2018 report on the Magnox contract to write to us within six months of publication of the Holliday inquiry with progress on the implementation of the inquiry's recommendations.³²

Transparency about the scale and nature of the challenge

18. The public is not fully aware of the challenges of nuclear decommissioning and given past problems in the industry, the public image of the sector requires some improvement.³³

28 Qq 89, 90

29 Qq 55 - 57

30 Q 69

31 Qq 53-54,

32 Q 86, PAC report, recommendation 6.

33 Qq 44, 84

It can be difficult to find, for example, information about the timescales for completing decommissioning work at specific sites and returning land to communities.³⁴ When asked how it makes sure that where possible nuclear sites, or elements of them, can be reused during the 'care and maintenance' phase of decommissioning, the Department said information about developments in and around sites is often contained in broad local industrial strategies and that its own cities and local growth unit looks at which sites have high potential.³⁵ The NDA gave a number of examples of potential projects to repurpose NDA land and property, including for hydrogen production in and around Sellafield, a potential solar farm at Chapelcross in Scotland, and a new technology site at Berkeley in Gloucestershire.³⁶

34 Q 24

35 Qq 77–78

36 Q 76

Formal minutes

Monday 23 November 2020

Virtual meeting

Members present:

Meg Hillier, in the Chair

Gareth Bacon	Peter Grant
Shaun Bailey	Sir Bernard Jenkin
Sir Geoffrey Clifton-Brown	Sarah Olney
Barry Gardiner	James Wild
Dame Cheryl Gillan	

Draft Report (*The Nuclear Decommissioning Authority's management of the Magnox contract*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 18 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the Twenty-Eighth of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Thursday 26 November at 9:15am

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 05 October 2020

Sarah Munby, Permanent Secretary, Department for Business, Energy and Industrial Strategy; **David Peattie**, Chief Executive, Nuclear Decommissioning Authority; **Kate Ellis**, Commercial Director, Nuclear Decommissioning Authority [Q1-95](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

MAG numbers are generated by the evidence processing system and so may not be complete.

1 Unite the Union ([MAG0001](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2019–21

Number	Title	Reference
1st	Support for children with special educational needs and disabilities	HC 85
2nd	Defence Nuclear Infrastructure	HC 86
3rd	High Speed 2: Spring 2020 Update	HC 84
4th	EU Exit: Get ready for Brexit Campaign	HC 131
5th	University technical colleges	HC 87
6th	Excess votes 2018–19	HC 243
7th	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
8th	NHS capital expenditure and financial management	HC 344
9th	Water supply and demand management	HC 378
10th	Defence capability and the Equipment Plan	HC 247
11th	Local authority investment in commercial property	HC 312
12th	Management of tax reliefs	HC 379
13th	Whole of Government Response to COVID-19	HC 404
14th	Readying the NHS and social care for the COVID-19 peak	HC 405
15th	Improving the prison estate	HC 244
16th	Progress in remediating dangerous cladding	HC 406
17th	Immigration enforcement	HC 407
18th	NHS nursing workforce	HC 408
19th	Restoration and renewal of the Palace of Westminster	HC 549
20th	Tackling the tax gap	HC 650
21st	Government support for UK exporters	HC 679
22nd	Digital transformation in the NHS	HC 680
23rd	Delivering carrier strike	HC 684
24th	Selecting towns for the Towns Fund	HC 651
25th	Asylum accommodation and support transformation programme	HC 683
26th	Department of Work and Pensions Accounts 2019–20	HC 681
27th	Covid-19: Supply of ventilators	HC 685