



Office for  
Nuclear Regulation

**ONR CORPORATE PLAN 2017/18**  
EN ROUTE TO 2020





# Office for Nuclear Regulation

## Corporate Plan 2017/18

**Financial year 1 April 2017 to 31 March 2018**

Presented to Parliament pursuant to Paragraphs 23 and 25(3) of  
Schedule 7 to the Energy Act 2013

**July 2017**

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# 1 FOREWORD

- 1.1 Just three years from vesting as a self-standing Public Corporation, ONR faces unprecedented regulatory demands, while needing to address some challenging strategic risks to become fit for the future. There is no doubt that we will rely, now more than ever, on our people. As our prime asset, nothing is more important to us than supporting our colleagues effectively and optimising their commitment, skills, knowledge and experience.
- 1.2 We are pleased to build on a successful 2016/17, when we helped protect the public and the environment from harm and promoted nuclear safety and security across the globe.
- 1.3 ONR regulates a significant nuclear legacy, radioactive waste, a wide range of ageing reactor technologies (no two are the same in Great Britain), ageing defence facilities and transport of civil radioactive materials. ONR also regulates conventional health and safety on licensed nuclear sites, including fire safety, and provides safeguards oversight for civil materials. As a sovereign regulator, we are legally empowered to hold industry to account on behalf of the public and we will continue to do this.
- 1.4 Recognising that some hazards cannot be tackled in isolation, we will continue to promote constructive joined-up working with licensees and other agencies to take strategic action in the public interest.
- 1.5 This year, we will:
  - address some of the world's most challenging nuclear scenarios, such as Sellafield
  - address an ageing operating fleet that supplied approximately 18% of the UK's energy in 2016
  - assess three new reactor designs, API1000®, ABWR and UK HPR1000, which are due for deployment at four sites. The EPR reactor which has already been design assessed is due to deploy at Hinkley Point C and Sizewell C. In total, these are anticipated to provide over 16GW of electricity through the construction of 13 reactors on six sites
  - regulate one new reactor licensee and organisations that have different governance, different experience of nuclear regulation and different reactor designs
  - implement outcome-based security regulation

WE WILL CONTINUE TO PROMOTE CONSTRUCTIVE JOINED-UP WORKING WITH LICENSEES AND OTHER AGENCIES TO TAKE STRATEGIC ACTION IN THE PUBLIC INTEREST.



**Nick Baldwin**  
Chair

- support the UK Government in managing a smooth exit from Euratom, particularly in relation to nuclear safeguards arrangements, and regarding potential Small Modular Reactors deployment in the United Kingdom
- address long-standing issues across the defence portfolio, with three sites under enhanced regulatory attention and preparation for the successor Dreadnought submarine programme
- assist the Health and Safety Executive (HSE) and Department for Business, Energy and Industrial Strategy (BEIS) in the implementation of European Council Directive 2013/59/Euratom, laying down basic safety standards for protection against the dangers arising from exposure to ionising radiation, through the introduction of revised Ionising Radiations Regulations 1999 and Emergency Planning regulations
- manage appropriate changes to our safeguarding scope, due to the UK's decision to leave Euratom



**Adrienne Kelbie**  
Chief Executive

1.6 ONR is the custodian of a substantial regulatory programme that stretches decades into the future. To support delivery of this, we will develop our organisation for the long term in a way that is mindful of our cost impact and optimises our effectiveness.

1.7 In tandem with delivering our demanding regulatory programme, we will focus on our performance and sustainability, through a 2 to 3 year programme. This year, we will focus on modernising our approach to get the best out of our staff, from apprentices to the more experienced, across every single function.

1.8 Later in the year, we intend to improve our approach to knowledge management, and take the opportunity to review our operational business processes, seeking to become more joined up and efficient. Over the next two years, we intend to become more efficient through enhanced IT and estates management.

1.9 This will need strong corporate leadership by the Executive Management Team to modernise ONR, and by the Regulatory Management Team, who have a particular role in connecting regulatory operations with strategic direction and demands and optimising the key elements of technical expertise and management capability.

1.10 With collective passion for our mission, determination to develop ONR capability for the long term and a staff team that is the envy of the world, we are confident that ONR will remain a positive influence on nuclear safety and security at home and abroad.



**Richard Savage**  
Chief Nuclear  
Inspector

# 2 ABOUT THIS PLAN



OUR VISION IS TO  
BE AN EXEMPLARY  
REGULATOR THAT  
INSPIRES RESPECT,  
TRUST AND  
CONFIDENCE.

- 2.1 This Corporate Plan sets out ONR's 2017/18 plan and gives a flavour of our aspirations, challenges, risks and opportunities. By doing this, we hope you will understand the next stage of our journey towards achieving our 2020 strategic intent.<sup>1</sup>
- 2.2 Last year we appointed more diverse senior teams, in particular at Board, Executive Management Team and Regulatory Management Team level, establishing a greater degree of stability. These new relationships and perspectives engendered significant review of our regulatory focus, corporate governance, organisational design and capability, estate and IT infrastructure, cost base, and strategic risks. Our collective insights have informed this plan.

## ABOUT ONR

### Who we are

- 2.3 ONR is Great Britain's independent nuclear regulatory authority, set up by the Energy Act 2013 to regulate nuclear safety, security and conventional health and safety at licensed nuclear sites in the UK. This includes the existing fleet of operating reactors, fuel cycle facilities, waste management and decommissioning sites and licensed defence sites, together with the regulation of the design and construction of new nuclear facilities and the transport of nuclear and radioactive materials. Our nuclear security regulation is limited to civil nuclear sites and we provide safeguards oversight for civil nuclear materials. Our vision is to be an exemplary regulator that inspires respect, trust and confidence.
- 2.4 We are governed by a ten-strong independent Board comprising Chair, five Non-Executive Directors and four Executive Directors, who support the work of some 560 staff based in Liverpool, Cheltenham and London (see Section 8 for more detail); Nick Baldwin is our Non-Executive Chair. The intention is to strengthen the Board during the period of this plan, by recruiting an additional Non-Executive Director to bring the Board up to full strength within the provisions of the Energy Act 2013.
- 2.5 Our Chief Executive, Adrienne Kelbie, acts as our Accounting Officer and is personally and directly accountable to Parliament for ensuring all funds are spent in accordance with Parliament's intentions and in accordance with HM Treasury's Managing Public Money guidance.
- 2.6 The ONR Board delegates all regulatory case decisions to our suitably skilled, qualified and experienced Chief Nuclear Inspector, Dr Richard Savage, who is personally and directly accountable for ensuring that regulatory decisions are proportionate, balanced and consistent.

<sup>1</sup> <http://www.onr.org.uk/documents/2016/strategic-plan-2016-2020.pdf>

## What we do

- 2.7 Our mission is to provide efficient and effective regulation of the nuclear industry, holding it to account on behalf of the public. We independently regulate nuclear safety, security and conventional health and safety across all licensed nuclear sites in the UK. We also regulate the safety and security of civil transport of radioactive material, and ensure that safeguards obligations for the UK are met.
- 2.8 The UK Government operates a goal-setting approach to nuclear safety and conventional health and safety, and will introduce an approach that mirrors this for security in 2017. ONR sets and prioritises the required safety and security outcomes against which dutyholders must determine and justify their approach.
- 2.9 This encourages innovative and flexible solutions that reflect local circumstances, while placing clear accountability on dutyholders to achieve the required high standards of nuclear safety and security. By working more openly with involved agencies, a collective view of risk and potential solution can be adopted and, in turn, relevant good practice shared with others to promulgate continuous improvement.
- 2.10 If we are to be an efficient and effective regulator, we also need to ensure that we identify and learn lessons from our activities and employ practices and behaviours consistently where they have been proven to deliver successful safety and security outcomes. Enabling regulation means that we will take a constructive approach with dutyholders and other stakeholders to enable effective delivery against clear and prioritised safety and security outcomes. The focus is on strengthening industry accountability since ONR holds industry to account, while enabling industry to discharge their accountabilities.
- 2.11 We can adopt enabling approaches most readily where the dutyholder is compliant with the law, but we should also be enabling in bringing them back into compliance. This is not new for ONR and there are many examples where this approach has been successful. We need to ensure that we continue to encourage innovation and we will apply these proven approaches more consistently during the period covered by this Corporate Plan.
- 2.12 To ensure safety and security is addressed at the earliest opportunity, we also assess generic nuclear reactor designs, at the request of Government, for potential vendors.
- 2.13 We share information about what we do, how we do it and our judgements by engaging with stakeholder groups at all sites, with Non-

ONR SETS AND PRIORITISES THE REQUIRED SAFETY AND SECURITY OUTCOMES AGAINST WHICH DUTYHOLDERS MUST DETERMINE AND JUSTIFY THEIR APPROACH.

Governmental Organisations (NGOs), the public, media and MPs and by publishing reports and information.

2.14 We deliver our statutory obligations, in a manner consistent with international obligations, through six core functions which are reflected in our Summary Regulatory Plan 2017/18 (see Appendix B):



1. Engage, inform, advise and consult with dutyholders, international bodies and other stakeholders
2. Influence our dutyholders to develop through-life strategies, achieving sustained delivery of good practice in health, safety and security
3. Deliver a permissioning regime, ensuring that dutyholder activities of principal significance to nuclear safety and security achieve UK legal standards
4. Maintain and improve the regulatory framework, maintain ONR's management system and sustain our regulatory capability
5. Inspect and evaluate the safety and security culture and performance of our dutyholders, ensuring risks are well controlled
6. Enforce the law in accordance with our Enforcement Policy Statement

2.15 Our Regulatory Planning Assumptions, agreed with Government, are included at Appendix C.

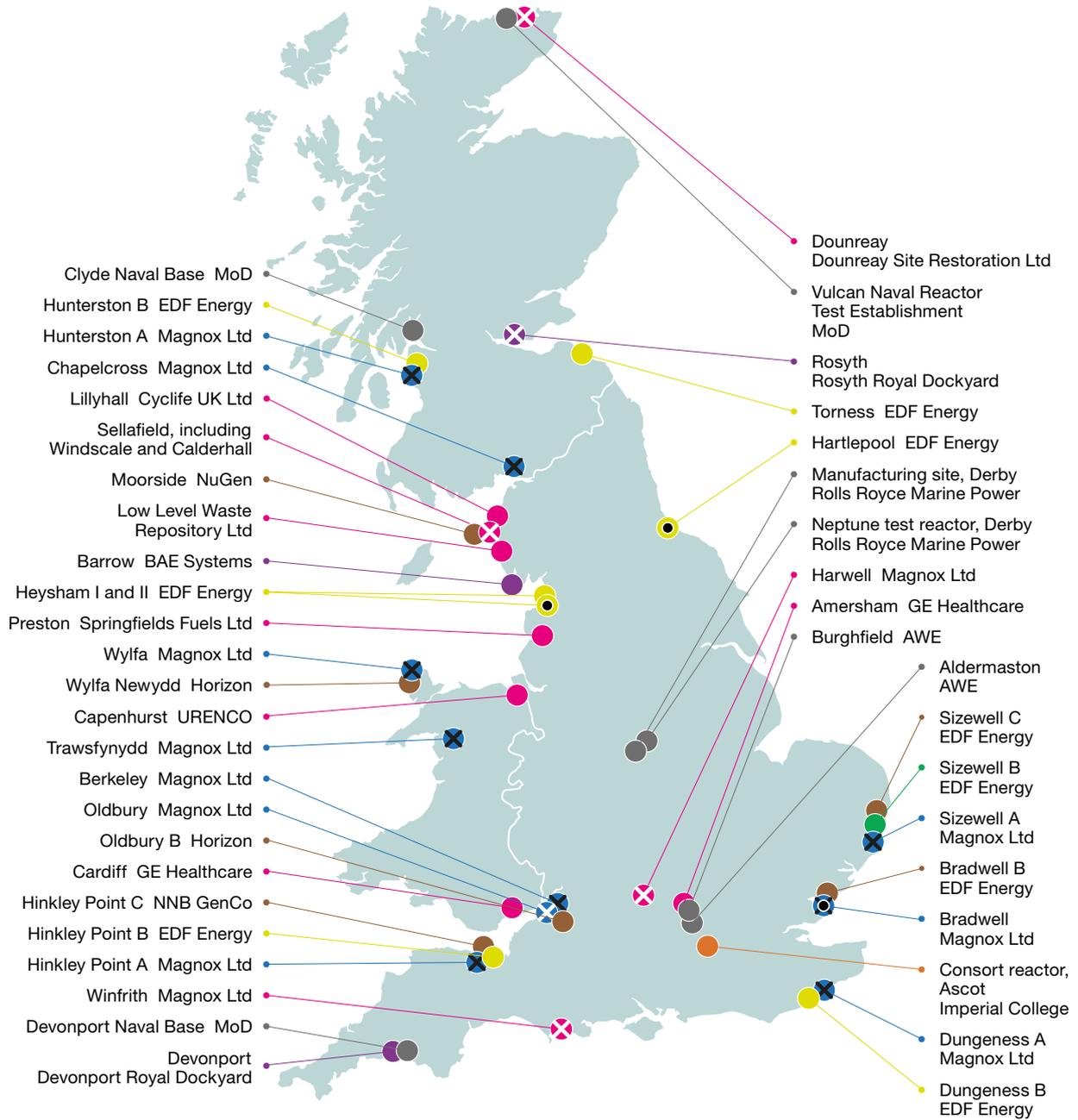
#### Where we do it

2.16 ONR regulates safety and security matters across Great Britain, with responsibility for all licensed nuclear sites as shown in Figure 1, comprising a mixture of operating, de-commissioning, and defence sites.

2.17 Since nuclear is a global sector, we work closely with international regulators and nuclear agencies, in the common pursuit of improved policy and practice (see Section 3).

2.18 While we regulate all licensed nuclear sites, we also regulate additional operational berth sites, suppliers, transport and construction sites.

FIGURE 1 – MAP OF SITES WE REGULATE



- Defence site
- Research reactor
- ⊗ Partly operational/decommissioning
- Magnox reactor
- Advanced gas cooled reactor (AGR)
- ⊗ Decommissioning
- Chemical plants and other facilities
- Proposed nuclear power station
- Identified by BEIS as potential new build sites
- Pressurised water reactor (PWR)

ONR REGULATES SAFETY AND SECURITY  
AT NUCLEAR SITES ACROSS GREAT BRITAIN.



# 3 OUR OPERATING ENVIRONMENT





## OUR RELATIONSHIP WITH UK GOVERNMENT

- 3.1 As a Public Corporation, we are accountable to Parliament through the Secretary of State for Work and Pensions and sponsored by the Department for Work and Pensions (DWP) in relation to governance, finance and conventional health and safety issues.
- 3.2 We work closely with BEIS, whose Secretary of State is accountable for the UK civil nuclear regulatory framework and policies, including civil nuclear safety and security, emergency planning and response, nuclear material safeguards and regulation of the transport of radioactive material by road, rail and inland waterways.
- 3.3 Through BEIS, we seek to appropriately inform matters of policy, including advising on the implications of the UK's decision to leave the European Union.
- 3.4 We also work closely with the Ministry of Defence (MoD). There are seven licensed nuclear sites which are operated in support of the MoD's Defence Nuclear Programme. These sites provide and maintain the warheads for the UK's nuclear deterrent, and support the UK nuclear powered submarines. Several naval sites undertake nuclear-related activities but are exempt from aspects of ONR regulation, because they are under the control of the Crown (MoD) and activities fall under defence legal exemptions. On these sites, nuclear and radiation safety is regulated jointly by the Defence Nuclear Safety Regulator (DNSR) and ONR. ONR is the enforcing authority for conventional safety regulation within these sites and also under Ionising Radiations Regulations 1999 (IRR) and The Radiation (Emergency Preparedness and Public Information) Regulations 2001 (REPPIR).
- 3.5 The Government's Regulators' Code came into force in April 2014 and it provides a framework for how UK regulators should engage with those that they regulate. The code<sup>2</sup> comprises six principles, two of which are particularly relevant to ONR:

1. 'Regulators should carry out their activities in a way that supports those they regulate to comply and grow', and
2. 'Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views'

- 3.6 We do not have a duty to promote industrial growth; however, as set out in Section 108/109 of the Deregulation Act 2015, we should take approaches that support growth in compliant businesses and not place unnecessary burdens on business, while meeting the same safety and security outcomes.
- 3.7 As required by the UK Government's Better Regulation initiative, we will complete Business Impact Target assessments, increasing our understanding of the costs to business of changes to regulatory guidance and approaches and improve our strategic engagement with, and insight of, those we regulate.

## OUR INTERFACE WITH REGULATORS AND AGENCIES

- 3.8 ONR works closely with the UK environmental regulatory bodies and while we have separate regulatory purposes, there are legislative and operational needs for joint working and consultation to deliver the overall regulatory mission at GB nuclear sites. Our roles are set out in Memoranda of Understanding with the Environment Agency, Natural Resources Wales (NRW) and the Scottish Environmental Protection Agency (SEPA).
- 3.9 Examples of joint working this year include consulting with the Environment Agency, NRW and SEPA before granting a nuclear site licence and before varying a nuclear site licence if the variation relates to or affects the creation, accumulation or disposal of radioactive waste.
- 3.10 We will continue to work with the Environment Agency and NRW on the Generic Design Assessment (GDA) of new build reactor technologies and preparations for regulating a future Geological Disposal Facility through recently issued joint regulatory guidance on radioactive waste management.
- 3.11 ONR has a Memorandum of Understanding (MoU) with the HSE to deliver some aspects of conventional health and safety regulation, and works closely with the HSE on specific policy-related matters and national strategic priorities.
- 3.12 In respect of radiation protection, we work with Public Health England which has UK-wide responsibility to provide advice and technical services on matters concerned with radiation hazards and protection. This is particularly important this year, as we work towards transposition of a new European Basic Safety Standards Directive.
- 3.13 The Secretary of State for Defence is accountable for nuclear safety and security at nuclear sites operated for defence purposes and ONR has an MoU with MoD. ONR has a long standing joint working relationship with the DNSR, as provided for in the MoU, and a Letter of Understanding sets out the agreed intention for coherent regulation of the Defence Nuclear Programme.

WE SHOULD TAKE APPROACHES THAT SUPPORT GROWTH IN COMPLIANT BUSINESSES AND NOT PLACE UNNECESSARY BURDENS ON BUSINESS, WHILE MEETING THE SAME SAFETY AND SECURITY OUTCOMES.

WE OPERATE IN A SECTOR WHICH SEEKS INTERNATIONAL SHARING AND HARMONISATION OF KNOWLEDGE AND PRACTICES.

3.14 ONR has agreements with the Civil Aviation Authority, Maritime and Coastguard Agency via the Department for Transport, and the Department of Agriculture, Environment and Rural Affairs - Northern Ireland, to ensure transport of radioactive material is regulated effectively by all modes of transport throughout the UK. ONR also works closely with the HSE, the environment agencies and other stakeholders to ensure transport of radioactive material is regulated effectively and efficiently in accordance with the principles of the Regulators' Code.

### OUR RELATIONSHIP WITH INTERNATIONAL NUCLEAR ORGANISATIONS

3.15 ONR undertakes a broad range of international engagement and information exchange to fulfil safety, security and civil transport of radioactive material obligations, promote global co-operation and ensure the UK's safeguards obligations are met.

3.16 Although nuclear safety and security regulation is a sovereign activity, we operate in a sector which seeks international sharing and harmonisation of knowledge and practices. Working through the International Atomic Energy Agency (IAEA), we discharge our multilateral responsibilities, such as influencing their development of safety standards and security guidance that we incorporate into our regulatory system to promote high standards. We also actively support IAEA co-ordinated expert peer review missions of regulatory frameworks. Figure 2 summarises our international engagement.

**FIGURE 2 – INTERNATIONAL ENGAGEMENT**



3.17 The UK is a member of the Organisation for Economic Co-operation and Development (OECD) Nuclear Energy Agency (NEA). ONR participates in a range of the Agency’s nuclear safety work streams and this year we will measure our effectiveness against the NEA Regulatory Effectiveness framework.



**FIGURE 3 – INTERNATIONAL FOOTPRINT**

3.18 ONR is a member of the Multinational Design Evaluation Programme (MDEP), collaborating with other foreign national regulators looking at new reactor designs through cross-cutting themes. MDEP enables ONR to work with other regulators to leverage resource and knowledge to facilitate more efficient and effective design assessments. This is of particular importance, to develop our approach to regulation of the supply chain to assure the quality of nuclear-safety related components.

3.19 Nuclear is a global business and as such the IAEA Conventions and Safety Requirements require member states to co-operate in the interest of securing high standards of nuclear safety. Bilateral information exchange agreements facilitate such co-operation outside of International Forums run by IAEA, European Commission and OECD. ONR has bilateral ‘information exchange agreements’ with a number of international regulators to facilitate the sharing of information. This includes established nuclear states such as France, Finland and Canada, those with planned new reactors such as China and Poland, and non-nuclear neighbouring states such as the Republic of Ireland. We plan to finalise an agreement with the United Arab Emirates this year.

3.20 In the European context, the UK co-operates with members of the European Union through groups such as ENSREG and throughout the continent via groups such as WENRA.

3.21 Following the UK decision to leave the European Union, our engagement with the European Commission will be subject to a period of change. We

will work with Government to meet the UK's continuing commitments (for example, Nuclear Safety Directive) and identify and plan for changes required to implement revised Government policy. We will support the UK Government in managing a smooth exit from Euratom, particularly in relation to nuclear safeguards arrangements and helping ensure the UK's continued compliance with international standards.

## INDUSTRY

- 3.22 Although our legislation and framework are broadly stable, our market is about to undergo significant growth, diversification (in the context of an ageing operational fleet and the UK Government decision taken in relation to the renewal of Britain's nuclear deterrent) and change, with new technologies, designs and more diverse dutyholders.
- 3.23 We engage with licensees and other dutyholders at many levels, ranging from information exchange meetings that have a technical focus attended by ONR inspectors, through to recorded, formal tactical and strategic meetings held at senior levels within both ONR and licensee organisations.
- 3.24 We will continue to play an active role in the Safety Directors' Forum, of which the stated objectives relevant to the ONR interface are to identify key strategic safety and security issues facing industry, identify appropriate industry response, work with regulators to agree common goals and priorities in pursuit of excellence, and facilitate sharing of regulatory developments and responses to them.
- 3.25 During 2017/18 we will also work to address valid public concerns regarding supply chain management.

## OTHER STAKEHOLDERS

- 3.26 As a body that operates on behalf of the public, we have an extensive range of stakeholders. These stakeholders include workers in the nuclear industry, the general public, local stakeholder groups, national and local media, academics, government and international.
- 3.27 Some have strong concerns about nuclear safety and security, while others are highly supportive. We seek to be balanced and fair in engaging and responding to all perspectives.
- 3.28 Our engagements with NGOs are carried out with the purpose and intent to support our strategic ambitions. This is to underline ONR's independence from Government and the nuclear sector.
- 3.29 We aim to reassure NGOs about our mission and purpose and to provide information about how we hold industry to account. The insight from this two-way engagement also informs our direction and aids strategic thinking, to ensure we are consistent and appropriate in all of our external communications and stakeholder engagement.

# 4 OUR STRATEGIC THEMES AND KEY ACTIVITIES



- 4.1 In 2015, ONR published its Strategy<sup>3</sup> for 2015-2020 to support delivery of ONR's 2020 strategic intent. Both the original 2015-2020 Strategy and the more recent Strategic Plan 2016-2020 focused on three key strategic themes to deliver the vision.
- 4.2 Last year, the new senior team considered a longer term and more corporate view of future success, reviewing factors affecting the GB nuclear industry, changing Government, public and industry expectations of regulators, our strategic risks, staff feedback, our organisational design and cost base.
- 4.3 This led to an agreement to update the wording of ONR's third priority from 'achieving our vision through our people' to 'getting the best out of our people' to more clearly reflect our serious intent to further develop capability. It also resulted in the introduction of a new strategic theme, to demonstrate a focus on stewardship of organisational sustainability, effectiveness and efficiency.
- 4.4 This will embrace developing a more effective, coherent, flexible and resilient organisation that is fit for the future and reinforced by strong corporate leadership, governance and accountability. Each theme is influenced by our operating environment, leading to key priorities, milestones and performance indicators, which are summarised in this plan. ONR's four strategic themes are as follows:



3 [www.onr.org.uk/documents/2014/onr-strategy-2015-2020.pdf](http://www.onr.org.uk/documents/2014/onr-strategy-2015-2020.pdf)

## STRATEGIC THEME 1: INFLUENCING IMPROVEMENTS IN NUCLEAR SAFETY AND SECURITY

- 4.5 ONR exists for this purpose – it is why we are passionate about what we do. Our regulatory framework is well established and our regulatory approach seeks to deliver proportionate, targeted and balanced decisions that, as appropriate, take a long term view of the safety and security challenges of the GB nuclear industry, and support growth.
- 4.6 We are legally empowered and have a duty to hold industry to account on behalf of the public. We will continue to do this. We need to be agile in how we deliver our purposes in the face of change and be responsive to Government expectations that regulators should adopt approaches and behaviours that focus on outcomes. Our enabling approach is key to influencing solutions across increasingly complex scenarios, and includes a well understood graded approach to recognise particularly challenging sites through increased regulatory attention. Through this approach we continue to encourage innovation and apply these proven practices more consistently.
- 4.7 We will continue to perform our routine licence condition compliance inspections, as well as any planned permissioning activities such as consents to start plant or processes and approval of operating rules. Given that we expect to perform in excess of 1,000 compliance and permissioning inspections, the detail is not included within this Corporate Plan, but nevertheless it is crucial that these items of key regulatory activities are not overlooked.
- 4.8 We will work with UK safeguards dutyholders and the safeguards inspectorates of the IAEA and Euratom to enable successful continued safeguards compliance in the UK, and submit reports in fulfilment of both the UK's obligations to Euratom (until the UK ceases to be a member of the EU), the IAEA, Japan and Australia, and of related domestic commitments. We will work with the UK Government to ensure a smooth transition for nuclear safeguards arrangements for the UK as it leaves Euratom.

WE NEED TO BE AGILE IN HOW WE DELIVER OUR PURPOSES IN THE FACE OF CHANGE AND BE RESPONSIVE TO GOVERNMENT EXPECTATIONS THAT REGULATORS SHOULD ADOPT APPROACHES AND BEHAVIOURS THAT FOCUS ON OUTCOMES.

- 4.9 Following a pause to ensure alignment with the BEIS Nuclear Regulatory Framework Review, Phase 2 of the Licence Condition Review has commenced with a focus on three reviews commissioned to consider the recommendations made in the first phase. The current phase has a focus on ONR specialist review, external independent peer review and legal review. We plan to take forward the outcomes from Autumn 2017 and we plan that this implementation phase will include a public consultation, stakeholder engagement, economic impact assessments and inspector training.
- 4.10 The current ONR Enforcement Management Model (EMM) replicates the HSE EMM which was last reviewed in 2013. During 2017/18 we will review our EMM to ensure it is more directly related to all planned regulatory functions and the context within which we work.



#### 4.11 To meet growing and changing demand, address key regulatory risks, and modernise nuclear regulation, we will:

- I. continue to deliver effective, prioritised, targeted and proportionate regulation across all of our regulatory programmes
- II. implement the Summary Regulatory Plan 2017/18 set out in Appendix B which summarises ONR's high level regulatory milestones for 2017/18
- III. pay particular attention to those sites in 'enhanced' or 'significantly enhanced' regulatory attention<sup>4</sup> at Aldermaston, Burghfield, Devonport, Dounreay, Harwell and Sellafield
- IV. subject to satisfactory ONR regulatory assessments:
  - issue Design Acceptance Confirmation for the Hitachi GE Advanced Boiling Water Reactor (UK ABWR)
  - issue a Nuclear Site Licence for Horizon at Wylfa Newydd
  - issue consent for Hinkley Point C Unit 2 Technical Galleries
- V. issue a third Periodic Safety Review decision for Dungeness B Power Station
- VI. develop guidance for a future Geological Disposal Facility
- VII. regulate new Ionising Radiations Regulations and Emergency Planning regulations, supporting the implementation of the Basic Safety Standards Directive
- VIII. support the UK Government in establishing future nuclear safeguards arrangements for the UK after Euratom exit
- IX. embed the approach taken to modernising nuclear regulation, through implementation of enabling regulation across all ONR's regulatory divisions
- X. implement the Security Assessment Principles (SyAPs)
- XI. consider the economic impact of our regulatory approach and judgements, and continue Business Impact Target assessments
- XII. review our Licence Conditions
- XIII. publish a revised EMM
- XIV. produce guidance on 'Timely Implementation of Reasonably Practicable Safety Improvements to Existing Nuclear Power Plants' for publication internationally by WENRA and ENSREG
- XV. maintain an active role in international regulatory activities through the IAEA, European Commission, OECD - NEA and bilateral agreements with other international regulators
- XVI. lead WENRA's first European 'Topical Peer Review' for reporting in 2018
- XVII. take part in Integrated Regulatory Review Service (IRRS) IAEA missions to Poland (June 2017), Romania (September 2017) and Belgium (October 2017)
- XVIII. provide the lead at the Convention on Nuclear Safety 7th Review Meeting
- XIX. lead and produce the report for the Joint Convention on Safety of Spent Fuel Management and on the safety of Radioactive Waste Management

WE ARE A  
WELL-TRUSTED  
REGULATOR,  
RESPECTED  
BY MANY IN  
THE UK AND  
INTERNATIONALLY.

## STRATEGIC THEME 2: INSPIRING A CLIMATE OF STAKEHOLDER RESPECT, TRUST AND CONFIDENCE

- 4.12 Public confidence in nuclear safety and security is vital. We are a well-trusted regulator, respected by many in the UK and internationally. However, we operate in an increasingly high profile environment, with heightened political, media, academic and public attention to the nuclear arena. As a matter of public confidence, it is essential we deliver high quality information to our wide range of stakeholders.
- 4.13 Regulatory decisions are a matter for our Chief Nuclear Inspector, who assures our Board about the proportionality, balance and consistency of decisions.
- 4.14 Working on behalf of the public, we embrace the need to maintain our regulatory independence and objectivity. We take several steps to do so, such as:

- I. welcoming and responding to international peer review scrutiny
- II. rotating all regulatory staff at least every five years, to avoid any potential regulatory capture
- III. publishing our research
- IV. holding Government at arm's length from our decisions
- V. publishing our regulatory decisions to the extent possible



4 There are sites and facilities that required more than the routine attention that we apply to regulate licensed sites based on an overall judgement across the areas of nuclear safety, security, transport, and conventional health and safety, and reflects the level of hazard and risk posed by the facility or activity, underpinned by qualitative and quantitative measures gathered through our regulatory activities. Enhanced regulatory attention describes a higher level of regulatory activity paid to the dutyholder; significantly enhanced attention recognises additional factors such as emergent or long standing safety or security issues and/or the risk associated with the facilities in question.

4.15 Our staff are highly visible at various stakeholder fora across the country: we represent GB in many international arenas, we support media understanding every day and our website holds an array of information on our work.

4.16 In 2017/18, we want to further improve our accessibility by modernising how we work, and to be more systematic in our use of feedback to inform our operations. So we will:

- I. survey stakeholders to obtain a clear view of their perceptions of ONR
- II. continue to be visible at site stakeholder groups, while building more frequent engagement with national NGOs, and establish links with leading nuclear academics
- III. use modern, digital methods of communication, including videos and webinars to share and exchange information
- IV. make better corporate use of stakeholder feedback
- V. develop new relationships with, and understanding of, academics, correspondents and industry experts
- VI. engage directly with the GB nuclear supply chain as appropriate, to explain our regulatory requirements
- VII. receive and respond to advice from an Independent Advisory Panel
- VIII. maintain a national framework of incident reporting (INES) for the areas relevant to ONR as recommended by the IAEA IRRS mission
- IX. publish a guide to enabling regulation
- X. conduct public consultations on changes to the way that we charge industry for regulation and changes to the licence conditions attached to nuclear site licences
- XI. review our Publication Scheme, to ensure that we publish as much information as possible in the public interest

IT IS INCUMBENT ON US TO PROVIDE A GREAT WORKPLACE, POSITIVE CULTURE AND FAIR WORK-LIFE BALANCE WHILE CONTINUING TO MAINTAIN AND IMPROVE THE STANDARDS OF HEALTH, SAFETY AND WELFARE OF OUR PEOPLE.

### STRATEGIC THEME 3: GETTING THE BEST OUT OF OUR PEOPLE

- 4.17 ONR's people are a tribute to public service. We demand a lot from them, and it is incumbent on us to provide them with a great workplace, positive culture and fair work-life balance while continuing to maintain and improve the standards of health, safety and welfare of our people. By providing that, we will get the best out of our colleagues, retain them and engage them to improve ONR.
- 4.18 We want our staff to be highly skilled, feel proud to work for us, and be committed to our long term direction. The highly technical nature of many roles and need for rotation and variety of assignment, means that continuous training and development is critical for our long term success – but that is only a part of the story.
- 4.19 ONR has historically operated as an organisation of many parts with a technical focus. We intend to re-balance our attention to develop a positive, inclusive and collaborative culture, embed professional leadership and build effective management capability to create strong corporate cohesion.
- 4.20 A big challenge – and opportunity – is our changing demographic that brings welcome diversity. We have many relatively new staff, so we need to be both a teaching and learning organisation. There is a desire for greater connectivity and modern ways of working and the changing staff mix needs improved knowledge management and information governance.
- 4.21 Irrespective of their background, our people want and need effective leadership, a culture of support balanced with personal accountability, and knowledge and skills retention that enables them to fulfil their potential and deliver effectively.



## 4.22 So in 2017/18, we will:

- I. formalise a workforce planning approach that addresses both capacity and capability as well as ensuring appropriate time is invested in developing and sharing knowledge
- II. re-build our operational experience capability to comply with IAEA/NEA good practice
- III. clarify roles, responsibilities and accountabilities
- IV. invest to establish an ONR Academy to:
  - support new paths and development frameworks for all staff
  - develop skills across all staff, to have Suitably Qualified and Experienced People (SQEP) in all functions
  - provide a balance of technical and behavioural development
  - accredit our core training
- V. introduce the Nuclear Skills Passport (NSP4) competency development tool
- VI. focus development on seven key areas: equality and diversity; leadership; management; commercial awareness; knowledge management; career and talent management; media and communications capability
- VII. introduce behavioural, managerial and leadership competences linked to performance appraisals
- VIII. take steps to reinforce mental health and well-being across the organisation
- IX. actively address poor performance and behaviours
- X. implement 360° degree feedback for all staff to inform development
- XI. introduce a pay and grading framework that links progression with improved competence and enables flexibility of deployment
- XII. develop and implement plans to improve our diversity and inclusion
- XIII. build our reputation as a Disability Confident employer - we are at Level 1 and have committed to achieve Level 2 (DC Employer) within 12 months
- XIV. continue our commitment to Apprentice and Graduate schemes
- XV. develop and embed ONR's enabling regulatory philosophy, so that all staff understand its impact on their role
- XVI. encourage all inspectors to take limited warrant colleagues (B4-B3E) with them on inspections
- XVII. maintain a collaborative relationship with Trade Union organisations to improve ONR

TO PREPARE FOR THE FUTURE WE NEED TO FOCUS ON BECOMING MORE SELF-SUFFICIENT AND DRIVE GREATER VALUE AND SUSTAINABLE CAPABILITY AND CAPACITY.

## STRATEGIC THEME 4: DEVELOPING A HIGH-PERFORMING, SUSTAINABLE ORGANISATION

- 4.23 Since ONR vested as a self-standing Public Corporation, we have delivered all of our regulatory commitments and responded to Government, industry and leadership changes.
- 4.24 It is now the right time to continue our focus on our day to day delivery of regulatory operations and introduce some strategic changes to help us protect our long term competence and modernise to become more flexible and efficient.
- 4.25 The introduction of a fourth strategic objective for 2017/18 aims to focus attention on developing strong organisational capability and driving efficient and effective business processes within a robust governance framework. This is predicated on modernising ONR to develop agile capability, appropriate capacity, strong leadership, robust management systems, appropriate infrastructure, effective governance, efficient business processes and an embedded change management capacity.
- 4.26 To prepare for the future we need to focus on becoming more self-sufficient and drive greater value and sustainable capability and capacity. There is an appetite for greater transparency with greater demand for intelligent management information, not only for our charging to industry and grant, but also in how we monitor and report performance and demonstrate our effectiveness as a regulator.
- 4.27 Underpinning our activity to develop a sustainable organisation, in respect of the environment we work in, our focus remains to minimise our environmental impact by making the best use of IT enhancements and regularly review our accommodation requirements. As a tenant in three locations (Liverpool, Cheltenham and London) we will continue to engage with our landlords to ensure they have and maintain a responsible corporate sustainability policy, particularly relating to matters such as energy emissions, carbon footprint, waste and utilities management.



## 4.28 So in 2017/18, we will:

- I. benchmark ONR against the OECD/NEA effective regulator characteristics utilising the NEA Regulator Effectiveness Framework
- II. respond to Government policy challenges including: Business Implementation Target, Better Regulation, Regulatory Futures and leaving Euratom
- III. assess compliance with UK Regulators' Code principles
- IV. embed more robust corporate governance to improve internal decisions throughout the organisation including:
  - embedding effective corporate planning and directorate business planning
  - delegated financial management, probity and control
  - strategic, operational and directorate risk management
  - integrated audit and assurance framework
- V. strengthened asset management, cyber security and information governance complemented by greater self-sufficiency in our IT systems
- VI. prepare new, more transparent, Fees Regulations for implementation
- VII. seek performance feedback from the industry Safety Directors' Forum
- VIII. prepare a case to review operational business processes and systems that support regulatory delivery and knowledge management, for Board consideration in the Autumn
- IX. identify nugatory and obsolete activities throughout ONR, highlight opportunities for standardisation and automation and eliminate waste in our use and deployment of resources
- X. improve value for money by:
  - investing in relationships with fewer Technical Support Contract suppliers for longer periods
  - modernising our IT infrastructure
  - reducing our estate footprint by transitioning to hot-desking
- XI. enable more flexible working by introducing virtual desktops, applications, tablets and support for mobile working
- XII. drive continuous improvement of environmental performance and prevent pollution from the activities we undertake, through measures such as implementing IT solutions to reduce the need to travel, and encouraging the use of public transport wherever practical and cost-effective to do so
- XIII. build a Programme Management Office to improve change and project management, with a focus on achieving benefits
- XIV. find alternative premises for our London office when the lease expires in August 2018

OUR FOCUS REMAINS TO MINIMISE OUR ENVIRONMENTAL IMPACT BY MAKING THE BEST USE OF IT ENHANCEMENTS AND REGULARLY REVIEW OUR ACCOMMODATION REQUIREMENTS.



# 5 OUR PERFORMANCE



- 5.1 Performance against this plan will be regularly reported to the ONR Board, to DWP as our Sponsorship Body, to other Government officials and Ministers as appropriate, and to the public on an annual basis through our Annual Report and Accounts (including a statement of regulatory effectiveness by our Chief Nuclear Inspector) with a focus on:
- how effectively we influenced improvements in nuclear safety and security
  - how we delivered the principles of the UK Regulators' Code
  - whether we have operated efficiently and delivered value for money
  - whether we met our key performance indicators

## OUR CORPORATE MILESTONES

- 5.2 Our corporate milestones are shown on a 'plan on a page' at Appendix A.

## OUR KEY PERFORMANCE INDICATORS

- 5.3 We have significantly reviewed our key performance indicators for 2017/18 to provide a more balanced account of performance by the whole organisation. These are included at Appendix D.



# 6 RESOURCES



BY 2020, 80% OF OUR REGULATORY STAFF WILL HAVE JOINED IN THE LAST 10 YEARS.



## PEOPLE

- 6.1 ONR has a long and proud tradition of effective regulation, based largely on the nuclear and regulatory experience of our staff. In the last few years, many experienced staff have retired, replaced by generally younger and less experienced staff. By 2020, 80% of our regulatory staff will have joined in the last 10 years.
- 6.2 Our demographic challenges, coupled with the increasing industry growth, will mean that we will have to continue to recruit nuclear specialists in increasing numbers to replace retiring staff, as well as to enable net growth in the range of 5-8% per annum, informed by more mature workforce planning activity. We recognise that, despite the increase in numbers, the loss of experienced regulatory staff will lead to a thinning of our overall regulatory capability. We will implement new approaches, including blended learning, to how we induct and develop our new and existing inspectors and improve our knowledge management, so that we can ensure staff are able to contribute effectively and more flexibly in a shorter timescale, while maintaining standards.
- 6.3 We are paying significant attention to addressing this thinning of our capability and experience and are confident that we can take the opportunities that come with fresh eyes and ensure that management systems deliver appropriate support and supervision for our newer colleagues.

## TECHNICAL SUPPORT CONTRACTS

- 6.4 We will continue to use Technical Support Contracts (TSCs) to provide niche expertise and to support short-term requirements to supplement permanent resource shortfalls. We expect the majority of contracts to be utilised in the New Reactors Division, largely in GDA, and to support independence in our decision making related to graphite degradation in advanced gas-cooled reactors (AGRs).

## FUNDING

- 6.5 ONR is funded primarily by charges to the nuclear industry through cost-recovery from dutyholders (97% in 2016/17), together with grant funding from its sponsoring body, DWP. The grant is agreed for the current Spending Review period and ONR's statutory obligations remain unchanged. ONR will be seeking to reduce the reliance on the grant by exploring the extension of charging to those areas of regulation that are not already cost recoverable.

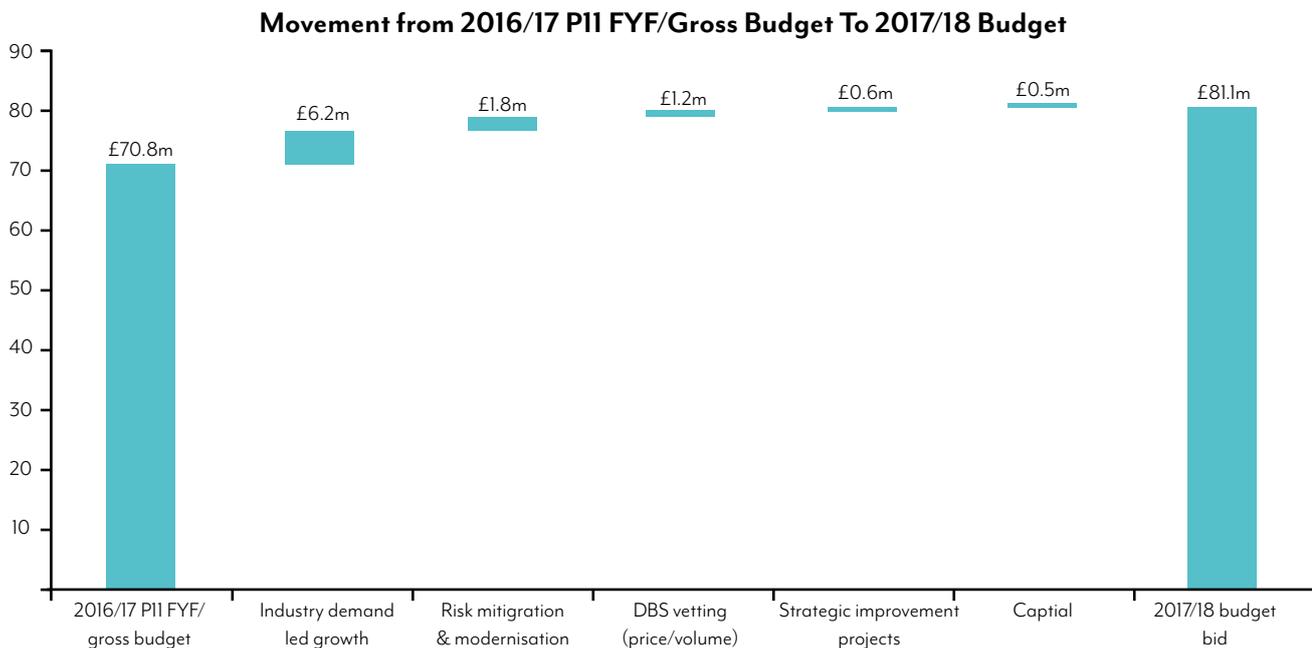
- 6.6 The Executive members of the Board and ONR staff will continue to follow HM Treasury's Managing Public Money guidance, supplemented by financial awareness training and updates. The focus remains on strengthening the financial control environment to ensure resources are deployed appropriately and value for money achieved.

## FINANCE: 2017/18 BUDGET

- 6.7 We have planned the 2017/18 budget based on the Chief Nuclear Inspector's Regulatory Plan, the consequential delegations reflected in the programme resource requirements and the support function activity required to enable delivery. Income and expenditure will be reviewed monthly and monitored against the agreed budget. The Board will also receive regular reports concerning expenditure against budget, together with forecasts of outturn.
- 6.8 The increase in the budget compared to 2016/17 is summarised in the waterfall diagram at Figure 4 and reflects a number of key themes:
- I. material demand-led growth due to the organisation operating in an industry that is experiencing a renaissance
  - II. risk mitigation and modernisation activity required to future-proof the organisation that will enable ONR to grow its capability, resilience and effectiveness to respond to the increased demand and challenges set out in this plan
  - III. research investment. Research and development activity in universities, national laboratories and industry is crucial in supporting ONR's staff and retaining skills and capability. Growth of interest across the industry for regulatory research, particularly in projects covering graphite and embrittlement of steel, is fundamental to ONR's ongoing regulation of graphite cores of gas reactors, more so as they get closer to end of life
  - IV. developing safeguards capability, to support the UK Government in planning a smooth exit from Euratom. This is grant-funded



FIGURE 4 – ONR BUDGET WATERFALL DIAGRAM



IN 2017/18 WE WILL WORK TO ENHANCE OUR ENGAGEMENT WITH STAKEHOLDERS AND INCREASE THE INSIGHT AND INTELLIGENCE WE PROVIDE TO DUTYHOLDERS AND LICENSEES.

6.9 We appreciate the need to offer value for money to licensees, dutyholders and Government and will enhance transparency and forecasting to help payees plan with greater certainty about regulatory charges. In 2017/18 we will work to enhance our engagement with stakeholders and increase the insight and intelligence we provide to dutyholders and licensees.

## FEES REGULATIONS

6.10 During 2017/18, ONR will engage with stakeholders in respect of new Fees Regulations that are scheduled for implementation. During 2017/18, ONR will also work to develop a single set of regulations that cover all of ONR's purposes and meet HM Treasury drafting standards and mechanisms. Consultation with key stakeholders will take place ahead of this. The new Fees Regulations will be laid before Parliament, subject to process and parliamentary timetables. The new Regulations are intended to:

- achieve consistency within and between charging regimes in the preparation and application of requesting parties, potential operators and licensee charges
- improve traceability to HM Treasury requirements under Managing Public Money guidelines and align with the Regulators' Code
- ensure appropriate cost recovery from industry where possible
- provide greater certainty to industry regarding future costs through the introduction of a unit cost charging methodology and more robust planning assumptions
- reduce ONR's reliance on grant funding

# 7 STRATEGIC RISKS



WE WILL BE OPEN TO NEW WAYS OF WORKING AND PRAGMATIC APPROACHES TO ADDRESS THE HAZARDS ARISING FROM THE NUCLEAR INDUSTRY.

- 7.1 Last year we introduced a new Risk Management Framework and reviewed our strategic, directorate and programme risks in the context of the four strategic themes. Our agreed strategic risks relate to:
- change and/or uncertainty in policies relating to the nuclear context within which we operate, ensuring ONR is flexible, adaptable and capable to respond to changing environments and priorities
  - information security, management and governance to ensure we have established adequate and appropriate levels of security and control
  - strengthening governance, control and processes in ONR
  - enhancing our organisational capability and capacity and addressing the maturity dilution challenge from thinning experience, so that our recruitment and retention practices optimise the quality and effectiveness of our people
  - ensuring we generate adequate funding and manage our resources efficiently and effectively to deliver our strategic objectives
  - delivering effective and efficient regulation of GB dutyholders across ONR's purposes
- 7.2 ONR manages risk through clear lines of executive accountability and regular review and challenge by our Risk Improvement Group and Executive Management Team, subject to scrutiny by our Audit and Risk Assurance Committee and ONR Board.

## RISK APPETITE

- 7.3 The Board recognises the complexity of risk issues in decision-making and accepts that there is an element of risk in every activity it undertakes. Our appetite for particular risk areas depends on factors such as the likelihood of the risk occurring, the impact of the risk (before and after controls) and the impact of the risk on ONR's strategic objectives should the risk materialise. We are keen to consider regulatory options to secure high standards in nuclear safety and security and compliance with the law, while working within extant policy and guidance. In doing so, we will be open to new ways of working and pragmatic approaches to address the hazards arising from the nuclear industry. This is of particular relevance to our enabling regulation approach, where we are prepared to accept an increase in short-term risk to reduce intolerable long-term hazards.

7.4 In coming to strategic decisions, we will not be unduly risk averse but will seek to balance the potential opportunities for improving nuclear safety and security derived from regulatory options, with the risks and benefits associated with them. These decisions will take into account the risks presented by proportionate and/or appropriate solutions, compared to those that would involve dutyholders delaying action while ideal resolutions are sought. Failures of other regulatory bodies have shown that the loss of respect and trust of stakeholders had a detrimental impact on their capability to continue to regulate effectively. Hence, ONR has little appetite for taking risks that could damage stakeholders' confidence in our ability to influence improvements in nuclear safety and security.





ONR HAS LITTLE APPETITE FOR TAKING RISKS THAT COULD DAMAGE STAKEHOLDERS' CONFIDENCE IN OUR ABILITY TO INFLUENCE IMPROVEMENTS IN NUCLEAR SAFETY AND SECURITY.

# 8 GOVERNANCE



8.1 Three common principles will be visible throughout all of our corporate governance arrangements:

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1. **Transparency** – governance affects us all and we will be transparent in our activity, so we have published Terms of Reference and we will continue to invite colleagues to attend as observers in our meetings
  2. **Behaviours** – management effort should govern not just what we do but how we do it with a focus on seeing agreed priorities through to completion
  3. **Accountability** – we will always explain what we are doing, why we are doing it and how we are progressing
- 

## ONR'S BOARD

- 8.2 The Board's role is to provide leadership, set strategy, agree the overarching policy framework within which ONR operates as a regulator and agree and monitor resources and performance. The Board ensures that effective arrangements are in place at ONR to provide assurance on governance, risk management and internal control.
- 8.3 The composition of the Board is prescribed in The Energy Act 2013. All members of the ONR Board must act in the best interests of ONR and in accordance with the Seven Principles of Public Life. The Board is chaired by Nick Baldwin, under the terms of ONR's framework document<sup>5</sup>.
- 8.4 The Board maintains four standing Committees: an Audit and Risk Assurance Committee, a Remuneration Committee, a Nominations Committee and a Security Committee. Full Board responsibilities and Terms of Reference for its four standing Committees can be found in ONR's Arrangements for Corporate Governance<sup>6</sup>.

5 <http://www.onr.org.uk/documents/2014/onr-dwp-framework.pdf>

6 <http://www.onr.org.uk/documents/2014/corporate-governance.pdf>

## FIGURE 5 – ONR BOARD



**Nick Baldwin**  
ONR Chair (Non-Executive)



**Jonathan Baume**  
Non-Executive



**John Crackett**  
Non-Executive



**Penny Boys**  
Non-Executive



**Oona Muirhead**  
Non-Executive



**Bronwyn Hill**  
Non-Executive



**Adrienne Kelbie**  
Chief Executive



**Dr Richard Savage**  
Chief Nuclear Inspector



**Sarah High**  
Finance Director

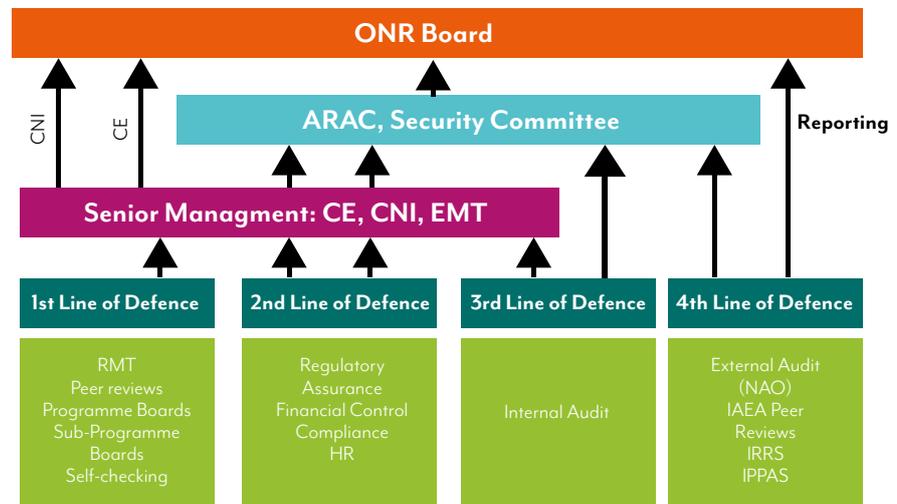


**Dave Caton**  
HR Director

## AUDIT AND ASSURANCE FRAMEWORK

- 8.5 ONR’s new Integrated Audit and Assurance Framework to be introduced on 1 April 2017, reflects HM Treasury’s ‘Assurance Frameworks’ model. Our review of assurance during 2016/17 has informed a more transparent and better aligned ‘Three Lines of Defence’ model this year. We will continue to obtain assurance of delivery of core purposes and functions, while promoting continuous improvement.
- 8.6 Given the delegation of regulatory decisions to the Chief Nuclear Inspector, our assurance function specifically provides assurance that ONR is appropriately delivering its regulatory purposes and functions, to the ONR Board and Committees, and to the Accounting Officer, Chief Nuclear Inspector, Executive Management Team and Regulatory Management Team. ONR’s new Integrated Audit and Assurance Framework is summarised in Figure 6 and includes a fourth line of defence to demonstrate the additional assurance derived, over and above HM Treasury’s Assurance Frameworks model, from external sources including the National Audit Office and international peer reviews.

**FIGURE 6 – ONR INTEGRATED AUDIT AND ASSURANCE FRAMEWORK**



CNI provides assurance to Board in respect of the quality and integrity of regulatory decision making. CE provides assurance to Board in respect of the quality and integrity of organisational processes and controls

**FRAMEWORK**

- 8.7 In 2015, ONR published a five-year Strategic Plan 2015-20. In 2016, this was updated to incorporate the earlier strategy and provide a more comprehensive view of ONR’s intentions for the next four years to 2020. This provides greater detail around the factors that influence our work, the assumptions we made about the nuclear environment going forward, and how we intend to deliver on the commitments made to our key stakeholder groups.
- 8.8 The Strategic Plan 2016-20 is supported by annual corporate plans, including this Corporate Plan for 2017/18, which set out how we will achieve our short term objectives against each of our strategic themes set by the Board, to enable us to deliver our 2020 strategic intent.
- 8.9 Each year, our published Annual Report and Accounts summarise our operational and financial performance. These are laid before Parliament and published on our website.

# 9 CONCLUSION



9.1 By March 2018, we aim to have moved steadily towards our 2020 strategic intent. In 2015 we said that success would be judged by our stakeholders thus:

**To the public, Ministers and Government, ONR:**

- is an exemplar of openness and transparency; a trusted source of independent information and advice about the risks and potential consequences of civil nuclear activities and defence, and engages openly and constructively in ways that are accessible to our audiences
- demonstrates how we make a positive difference to nuclear safety and security
- holds the nuclear industry to account, including taking robust enforcement action where appropriate
- provides evidence-based assurance that nuclear sites are sufficiently safe and secure
- provides evidence-based assurance that we operate to the highest standards of organisational performance

**To our licensees and dutyholders, ONR:**

- influences change to enhance the excellent health, safety and security culture among operators and to promote sustained excellence in nuclear operations
- regulates proportionately, consistently and independently and makes consistent, transparent and evidence-based decisions
- is responsive to the dynamic industry we regulate
- engages openly, honestly and with the highest standards of professionalism
- operates efficiently to control costs, drive out waste and provide value for money in meeting regulatory need

**To our people, ONR:**

- is a great place to work, where people aspire to be part of the ONR team
- has a culture where people lead by example, set clear direction, inspire others and demonstrate the highest standards of behaviours in public life
- has a culture that is inclusive, consistent and fair, where people feel empowered to challenge without fear of bullying or harassment
- values diversity and the contribution of every member of the ONR team, has a pay and reward system that recognises personal contributions, and supports continuous improvement at all levels



BY MARCH 2018 WE AIM TO HAVE  
MOVED STEADILY TOWARDS OUR 2020  
STRATEGIC INTENT

# APPENDICES



# APPENDIX A – CORPORATE MILESTONE PLAN 2017/18

		APR 17	MAY 17	JUN 17	JUL 17	AUG 17
<b>Influencing improvements in nuclear safety and security</b> 	Regulatory framework	<ul style="list-style-type: none"> <li>• Convention on Nuclear Safety: 7th Review Meeting</li> <li>• Commence implementation of SyAPs</li> </ul>		<ul style="list-style-type: none"> <li>• European "Article 8a ALARP": Guidance published</li> </ul>	<ul style="list-style-type: none"> <li>• Enforcement Management Model proposals agreed</li> </ul>	<ul style="list-style-type: none"> <li>• Complete ONR activities to support implementation of Nuclear Safety Directive</li> </ul>
	Operational activity			<ul style="list-style-type: none"> <li>• IRRS IAEA Mission to Poland</li> <li>• IPPAS IAEA Mission to Hungary</li> </ul>		
<b>Inspiring a climate of stakeholder respect, trust and confidence</b> 		<ul style="list-style-type: none"> <li>• Implement External Insight Group</li> </ul>	<ul style="list-style-type: none"> <li>• Approve Proactive Media Plan</li> <li>• Industry Finance Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• NGO engagement</li> </ul>		<ul style="list-style-type: none"> <li>• Web content review</li> </ul>
<b>Getting the best out of our people</b> 		<ul style="list-style-type: none"> <li>• Competence &amp; Pay Progression approach in place</li> <li>• Staff Survey 2017</li> <li>• Implement Equality &amp; Diversity Programmes</li> </ul>		<ul style="list-style-type: none"> <li>• Develop Leadership Framework</li> </ul>	<ul style="list-style-type: none"> <li>• Implement Total Reward Framework</li> <li>• Introduce 360 degree feedback for all staff</li> </ul>	
<b>Developing a sustainable, high-performing organisation</b> 		<ul style="list-style-type: none"> <li>• EMT realignment</li> <li>• Agree Information Security Management System (ISMS) scope and plan</li> </ul>	<ul style="list-style-type: none"> <li>• Implement Government Single Operating Platform (SOP)</li> <li>• Implement revised ONR IT policies</li> </ul>	<ul style="list-style-type: none"> <li>• ARA 2016/17 laid</li> <li>• Establish a Programme Office (PMO)</li> </ul>	<ul style="list-style-type: none"> <li>• Implement revised Sponsorship Body Framework Document</li> </ul>	

SEP 17	OCT 17	NOV 17	DEC 17	JAN 18	FEB 18	MAR 18
<ul style="list-style-type: none"> <li>Licence Condition Review - start consultation</li> </ul>	<ul style="list-style-type: none"> <li>Legislation laid in Parliament for Basic Safety Standards Directive</li> </ul>		<ul style="list-style-type: none"> <li>Complete ONR activities to support implementation of Basic Safety Standards Directive</li> </ul>			<ul style="list-style-type: none"> <li>Commence SyAPs 12 month review</li> </ul>
<ul style="list-style-type: none"> <li>IRRS IAEA Mission to Romania</li> <li>IPPAS IAEA Mission to Germany</li> </ul>	<ul style="list-style-type: none"> <li>IRRS IAEA Mission to Belgium</li> <li>IPPAS IAEA Mission to Lithuania</li> </ul>		<ul style="list-style-type: none"> <li>UK Report to EU Topical Peer Review</li> </ul>	<ul style="list-style-type: none"> <li>Complete CNI led NNB Genco Ltd Supply Chain Inspection</li> <li>Publish Enabling Regulation guide</li> </ul>	<ul style="list-style-type: none"> <li>IPPAS IAEA Mission to France</li> </ul>	<ul style="list-style-type: none"> <li>Complete all 27 Regulatory Plan Milestones</li> </ul>
<ul style="list-style-type: none"> <li>Implement revised publication scheme</li> <li>Establish Operational Experience capability to meet IAEA good practice</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>Launch Stakeholder Insight Hub</li> <li>NGO engagement</li> <li>Deliver the UK Report on behalf of the government (BEIS) to the Joint Convention on safety of spent fuel and on the safety of radioactive waste</li> </ul>	<ul style="list-style-type: none"> <li>Independent Advisory Panel Engagement</li> </ul>			
	<ul style="list-style-type: none"> <li>Issue personal reward statement</li> </ul>		<ul style="list-style-type: none"> <li>Complete and begin implementation of mandatory bite-size training course for enabling regulatory philosophy</li> </ul>			<ul style="list-style-type: none"> <li>Staff Survey 2018</li> </ul>
<ul style="list-style-type: none"> <li>Budget planning commission for 2018/19</li> <li>Board risk appetite statement</li> <li>Consider business process review and knowledge management business case</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced training facilities available at Redgrave Court</li> <li>Seek feedback from Safety Directors Forum regarding ONR effectiveness</li> </ul>		<ul style="list-style-type: none"> <li>Implement Business Implementation Target requirements</li> <li>London office lease signed</li> </ul>	<ul style="list-style-type: none"> <li>Board review proposals of:                             <ul style="list-style-type: none"> <li>i) Corporate Plan 2018/19</li> <li>ii) Budget 2018/19</li> <li>iii) KPIs for 2018/19</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>ARAC approve audit &amp; assurance plan 2018/19</li> <li>Deliver ONR Data Warehouse for business intelligence</li> <li>Agree data reporting priorities</li> <li>Implement regulatory intelligence</li> <li>Cheltenham office lease options paper to Board</li> </ul>	<ul style="list-style-type: none"> <li>Board approve 2018/19 Corporate Plan, Budget and KPIs</li> <li>Publish Directorate business plans for 2018/19</li> <li>Selection of new IT Services contract provider</li> <li>Redgrave Court office lease options paper to Board</li> </ul>

# APPENDIX B – SUMMARY

## REGULATORY PLAN 2017/18

### INTRODUCTION

Within ONR's Strategic Plan 2016-2020<sup>7</sup> there is a commitment as part of our business plan for 2017/18 to publish the Chief Nuclear Inspector's Summary Regulatory Plan, which sets out our high level regulatory milestones.

In our Strategy<sup>8</sup> for 2015-2020, we established a clear vision of how we want our organisation to develop and be recognised as an exemplary regulator that inspires respect, trust and confidence. Both the original 2015-2020 Strategy and the more recent Strategic Plan 2016-2020 focused on three key strategic themes to deliver the vision but, as a result of the new senior team considering the longer term corporate view of success for the organisation, a fourth strategic theme has been introduced for 2017/18. The four strategic themes are as follows:

- Influencing improvements in nuclear safety and security
- Inspiring a climate of stakeholder respect, trust and confidence
- Getting the best out of our people
- Developing a high-performing, sustainable organisation

This plan highlights our principal regulatory milestones to deliver against our strategy and provides for an integrated approach to the delivery of safety and security regulation across the UK's operational nuclear reactors and facilities, proposed new build reactors, and decommissioning and nuclear legacy clean-up activities, together with the transport and safeguarding of radioactive materials. The milestones herein support our themes to influence and inspire confidence in the areas of:



7 <http://www.onr.org.uk/documents/2016/strategic-plan-2016-2020.pdf>

8 <http://www.onr.org.uk/documents/2014/onr-strategy-2015-2020.pdf>

WE WANT OUR ORGANISATION TO DEVELOP AND BE RECOGNISED AS AN EXEMPLARY REGULATOR THAT INSPIRES RESPECT, TRUST AND CONFIDENCE.

- Modernising nuclear regulation
- Hazard reduction and remediation at Sellafield's legacy facilities
- Preparing for new nuclear generation, civil and defence
- Regulating existing civil reactors
- Regulating decommissioning and disposal

The ONR business activities to deliver our priorities are detailed within the ONR Strategic Plan to 2020.

As part of our work to deliver our strategy, we have established a framework based on six core functions which deliver our statutory obligations in a manner consistent with international regulatory standards. Our plans are again this year constructed and monitored against these core functions. Our six core functions are:

1. Inspect and evaluate the safety and security culture and performance of our dutyholders, ensuring risks are well controlled
2. Enforce the law, in accordance with our Enforcement Management Policy
3. Deliver a permissioning regime, ensuring that dutyholder activities of principal significance to nuclear safety and security achieve UK legal standards
4. Continually improve the regulatory framework, maintain ONR's management system and sustain our regulatory capability
5. Engage, inform, advise and consult with dutyholders, international bodies and other stakeholders
6. Influence our dutyholders to develop through-life strategies, achieving sustained delivery of good practice in safety and security

Core Function	Programme	Key Activity
Inspect and evaluate the safety and security culture and performance of our dutyholders, ensuring risks are well controlled	All Operational Programmes	Undertake compliance inspections on nuclear sites in accordance with site specific regulatory intervention plans – Target: Complete 95% of planned inspections.
	All Operational Programmes	Undertake systems based, safety case informed inspections across licensed sites in accordance with site specific regulatory intervention plans – Target: Complete 100% of planned inspections.
	All Operational Programmes	Undertake compliance inspections on Local Authorities in accordance with duties under the Radiation (Emergency Preparedness and Public Information) Regulations 2001 – Target: Complete 100% of planned inspections.
	All Operational Programmes	Conduct radioactive material transport compliance inspections in accordance with specific regulatory intervention plans – Target: Complete 95% of planned inspections.
	Sellafield, Decommissioning, Fuel and Waste	Complete regulatory assessment of the Long Term Periodic Review of Sellafield Ltd's Analytical Services Process Facilities.
	Sellafield, Decommissioning, Fuel and Waste	Complete assessment of the adequacy of Sellafield Limited's Licence Condition 36 (organisational capability) arrangements.
	Civil Nuclear Security	Conduct a programme of interventions at Sellafield to assess the delivery of the Sellafield Security Enhancements Programme and encourage timely realisation of the hazard and risk reduction benefits from security improvements.

Core Function	Programme	Key Activity
	Civil Nuclear Security	Evaluate dutyholders' proposals to ensure security by design is delivered during each step of the new reactor design GDA process.
	Civil Nuclear Security	Assess SyAPs compliant Nuclear/ Construction Site Security Plans to dutyholders within agreed timescales.
	Civil Nuclear Security	Cyber Security and Information Assurance (CS&IA): Conduct a programme of interventions (including Multi-Functional CS&IA Interventions) to influence CS&IA behavioural changes across the industry.
Enforce the law, in accordance with our Enforcement Management Policy	Sellafield, Decommissioning, Fuel and Waste	Regulate risk and hazard reduction at Sellafield Ltd's Pile Fuel Storage Pond through the export of 100 drums of sludge to the Waste Encapsulation Plant.
	Sellafield, Decommissioning, Fuel and Waste	Regulate Wylfa to reach the stage where 60% of the spent fuel is safely removed from the site to meet the schedules contained in the Magnox Operating Programme.
	Sellafield, Decommissioning, Fuel and Waste	Complete the regulatory assessment and, if appropriate, issue certificate of approval for the transport package design and shipment to enable Phase 2 of special nuclear materials consolidation project.
	Operating Facilities	Assess AWE's progress against the requirements of the extant Improvement Notices and specifications relating to non-compliance with Licence Conditions 17 and 14, record the basis of our assessment and inform the licensee.
	All Operational Programmes	Pending potential revisions to REPIR during the period, complete REPIR determinations of off-site local authority radiation emergency planning areas for eight nuclear sites.

Core Function	Programme	Key Activity
Deliver a permissioning regime, ensuring that dutyholder activities of principal significance to nuclear safety and security achieve UK legal standard	Sellafield, Decommissioning, Fuel and Waste	Assess and, if appropriate, permission the commencement of Evaporator D Active tie-ins (Active commissioning).
	Sellafield, Decommissioning, Fuel and Waste	Assess and, if appropriate, permission the implementation and completion by Sellafield Ltd of improvements to PMF(N) Fans 6&7.
	New Reactors	Complete assessment and make formal decision regarding the consent for the construction of the Hinkley Point C Pumping Station.
	Operating Facilities	Assess the Periodic Review of Safety submission for the AWE Burghfield Site, record the outcome of our assessment, and issue the Decision Letter to the Licensee.
	Operating Facilities	Assess the report of the EDF NGL Periodic Safety Review for Dungeness B, record the outcome of our assessment, and issue the Decision Letter to the Licensee.
	Operating Facilities	Develop and implement a programme of compliance inspections and assessment activity to support the Licensee statutory outage schedule and issue Licence Instruments, where appropriate, to enable reactor start-ups. The schedule will include Torness, Dungeness B, Hunterston B, Sizewell B and Hartlepool during 2017/18.
Maintain and improve the regulatory framework, maintain ONR's management system and sustain our regulatory capability	Civil Nuclear Security	Develop and deliver a full suite of Technical Inspection Guides to support the SyAPs. Undertake outcome-focused assessment training for Civil Nuclear Security inspectors. Assess the four pilot SyAPs informed Nuclear Site Security Plans (NSSPs) and develop an associated ONR technical assessment guide, including workshops and support activities to enable industry's delivery of revised NSSPs in 2018.

Core Function	Programme	Key Activity
Engage, inform, advise and consult with dutyholders, international bodies and other stakeholders	Sellafield, Decommissioning, Fuel and Waste	Develop a new Technical Assessment Guide to provide detailed multidisciplinary guidance on ONR expectations and relevant good practice for the design, construction and operation of a GDF in the UK.
	Civil Nuclear Security	Work with UK safeguards dutyholders and the safeguards inspectorates of the IAEA and Euratom to enable successful continued safeguards compliance in the UK, and submit reports in fulfilment of the UK's obligations to Euratom, the IAEA, Japan, Australia and related domestic commitments. We will work with the UK Government to ensure a smooth transition for nuclear safeguards arrangements for the UK as it leaves Euratom.
Influence our dutyholders to develop through-life strategies, achieving sustained delivery of good practice in safety and security	Sellafield, Decommissioning, Fuel and Waste	Complete assessment of Sellafield Ltd's proposal for the safe management of THORP post operations (POCO).
	New Reactors	Complete assessment of UK ABWR GDA application and make formal decision on Design Acceptance Confirmation.
	New Reactors	Begin Step 2 assessment of the GDA application for the UK HPR1000 generic reactor design.

# APPENDIX C – ONR REGULATORY PLANNING ASSUMPTIONS TO 2030

Our top level regulatory assumptions about the UK sector and internationally are:

1. Government policy in support of UK civil nuclear power remains positive and investment is forthcoming.
2. There is certainty that Government policy in support of UK nuclear deterrence remains positive and defence investment remains forthcoming at the anticipated annual levels of spend.
3. Hinkley Point C construction, commissioning and operation is delivered as planned.
4. The shut-down dates of the existing Advanced Gas Reactor fleet occur in accordance with EDF's declared plan.
5. UK exit from the EU does not significantly impact our regulation beyond the need to plan and implement arrangements to undertake UK safeguards activity when the UK ceases to be signatory to Euratom.
6. Regulation of defence facilities supports the current nuclear submarine fleet and new build Dreadnought classes, together with the associated AWE strategic weapon capabilities.
7. Government policy in the areas of Small Modular Reactors and foreign infrastructure investment is clarified within the next 12 months.
8. ONR will need to establish additional safeguards capability by March 2019 when Government triggers Article 50.
9. There are no nuclear events within the UK or overseas which undermine or result in a significant change to the anticipated programmes of work across the regulatory directorate. Of all the assumptions, this has the greatest uncertainty and potential to recast the operating environment – for example, as demonstrated in the reaction in Germany to Fukushima.
10. While the economic viability of the existing civil reactor fleet is uncertain, there is an assumption maintained that there are no life-limiting factors that have a significantly early impact and implications for ONR.
11. There are no significant safety or security concerns associated with the AP1000® and UKABWR GDAs, such that DAC can be issued as planned. Nuclear fuel reprocessing and storage facilities continue to operate safely to ensure that spent fuel is either reprocessed or placed into long-term storage.
12. There are no significant nuclear security breaches or changes in policy in relation to national security requirements that would undermine the security arrangements currently in place.
13. Regulation of defence sector decommissioning activity and specifically an upturn in activity in dealing with the fleet of redundant submarines.
14. The hazard and risk reduction challenges will continue at Sellafield and progress to address them will remain a Government priority.

15. Materials consolidation will remain a high Government priority.
16. Policy for UK Plutonium stocks will be established and the process for siting of a GDF will proceed.
17. Market demands for nuclear skills are likely to intensify.
18. There will be low impact to 2020 on the well-established international regulatory framework with the IAEA and OECD NEA, despite the UK exit from the EU.



# APPENDIX D – ONR KEY PERFORMANCE INDICATORS 2017/18

KPI Ref	Directorate	Description	Reporting frequency	Target	Report level
 <b>Strategic Theme 1: – Influencing improvements in nuclear safety and security</b>					
STI-B01	Regulatory Directorate	Milestones in the Summary Regulatory Plan 2017/18 completed on time.	Monthly	100%	Board/External
STI-B02	Regulatory Directorate	Undertake systems-based, safety case informed inspections across licensed sites in accordance with site specific regulatory intervention plans.	Monthly	100%	Board/External
STI-B03	Regulatory Directorate	Undertake compliance inspections on nuclear sites in accordance with site specific regulatory intervention plans.	Monthly	95%	Board/External
STI-B04	Regulatory Directorate	Undertake compliance inspections on Local Authorities in accordance with duties under the Radiation (Emergency Preparedness and Public Information) Regulations 2001.	Monthly	100%	Board/External
STI-B05	Regulatory Directorate	Conduct radioactive material transport compliance inspections in accordance with specific regulatory intervention plans.	Monthly	95%	Board/External
STI-B06	Regulatory Directorate	Complete determinations, as required by the Radiation (Emergency Preparedness and Public Information) Regulations 2001, of off-site local authority radiation emergency planning areas for eight nuclear sites.	Annual	100%	Board/External

KPI Ref	Directorate	Description	Reporting frequency	Target	Report level
 <b>Strategic Theme 2: Inspiring a climate of stakeholder respect, trust and confidence</b>					
ST2-B07	Policy & Communications	Proportion of Freedom of Information (FOI) requests responded to within statutory limits.	Monthly	100%	Board/External
 <b>Strategic Theme 3: Getting the best out of our people</b>					
ST3-B08	HR	Capacity: staff turnover/attrition rate.	Quarterly	<5%	Board/External
ST3-B09	HR	New starter levels at or above target profile numbers.	Quarterly	90%	Board/External
ST3-B10	HR	Capability: proportion of fully warranted inspectors at or above target.	Monthly	85%	Board/External
ST3-B11	HR	Engagement: staff engagement index.	Annually	80%	Board/External
 <b>Strategic Theme 4: Developing a high-performing, sustainable organisation</b>					
ST4-B12	All	Effective forecasting disciplines: ONR financial outturns are all within tolerance.	Quarterly	< /= 2%	Board/External

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