



Office for  
Nuclear Regulation

# Corporate Plan 2021/22







Office for  
Nuclear Regulation

# Corporate Plan 2021/22

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

**June 2021**

## **OGL**

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# 1 Foreword

**We are pleased to publish our annual plan for 2021/22. Aligned to our [Strategy 2020-25](#), it will deliver our mission to protect society by securing safe nuclear operations.**

While the COVID-19 pandemic has changed the way we all work, our commitment to worker and public safety is unwavering. Alongside our safety and security purposes, this year we will embed our new nuclear safeguards regulatory function. In line with the themes in the Chief Nuclear Inspector's 2020 Annual Report on the GB Nuclear Industry, driving proportionate improvements in conventional health and safety and the management of ageing and legacy facilities, and delivering a holistic approach to nuclear security will underpin our regulatory programme this year.

We will continue to adjust our response to the pandemic, both internally and with dutyholders, to keep focused on those critical and essential activities that enable us to regulate effectively. This means seeking assurance that dutyholders can maintain their operations safely and securely,

and engaging across the industry and with other regulators, in the UK and internationally, to learn, share best practice and retain resilience now and for the future.

This plan reflects that changed context within which we now operate. We've prioritised essential functions and change activities that will enable our success, giving us a realistic and manageable annual plan that focuses primarily on what we are required to do and must deliver, as reflected in our top five priorities for this year.

We've recognised that some aspects of our modernisation may need a little longer to implement, and so we've prioritised key enablers including our IT systems and Well Informed Regulatory Decisions (WIReD) platform. Importantly, we want to realise the opportunities we've identified, in our learning from the pandemic response, for how we work in the future. Through our organisational development we'll ensure these are implemented and embedded as part of our modernisation.

From 1 June 2021, we have our new senior leadership structure fully in place. With a single leadership focus through a combined Chief Executive/Chief Nuclear Inspector role, our structure is more aligned to other nuclear regulators worldwide. Supported by our Deputy Chief Executive, Executive Director of Operations, and our wider Senior Leadership Team, the changes recognise the progress we've made over the last five years to develop ONR into a more mature, high performing organisation with clear strategic intent for the future. These new arrangements will further integrate our regulatory work and corporate operations and ensure stability and consistency in delivering our Strategy 2020-25 and beyond.

We would like to thank Adrienne Kelbie, our Chief Executive until 31 May 2021, for the significant contribution she has made to our transformation into a strong, independent regulator with a culture that engages openly and honestly with a diverse range of stakeholders, while recognising the need to regulate and operate effectively. Under her leadership, we have established good, solid foundations that ONR can build upon to achieve our vision of being a modern, transparent regulator delivering trusted outcomes and value.

We must also thank our staff for their personal and professional resilience and commitment during these challenging times. They are our greatest asset, dedicated to public safety. One of our top five priorities this year is sustaining their health and wellbeing, by continuing to develop a positive and inclusive culture, grounded in our organisational values, and enabled by effective leadership and management. We will continue to ensure our working arrangements, whether at home, in the office or on site, keep them and those they work with safe, in line with the latest government guidance.

We know our success will always depend on the confidence our stakeholders and the public have in us, and we would like to thank them for their support. We continually work to build their trust, and sincerely value their diverse feedback, so we are glad our most recent survey re-confirmed that we are viewed as a professional, independent and trusted regulator. We look forward to further engaging with the public this year, to ensure not only that they are well informed about our work, but are able to shape how we can be an exemplar of transparency in the future.



**Mark McAllister**  
Chair



**Mark Foy\***  
Chief Executive and  
Chief Nuclear Inspector

\* Chief Executive and Chief Nuclear Inspector from 1 June 2021; Adrienne Kelbie was Chief Executive to 31 May 2021.

# Top five priorities 2021/22



## **Strategic Theme 1:** *Influencing proportionate improvements*

- 1** Maintain delivery of our core regulatory functions, including targeted oversight of enhanced attention sites, holding dutyholders to account on behalf of the public.
- 2** Begin to enhance collaboration and integration across our purposes through better co-ordination of inspections and regulatory guidance across safety and security.



## **Strategic Theme 2:** *Inspiring stakeholder confidence*

- 3** Publish our framework to enhance transparency with our stakeholders.



## **Strategic Theme 3:** *Creating a culture of inclusion and excellence*

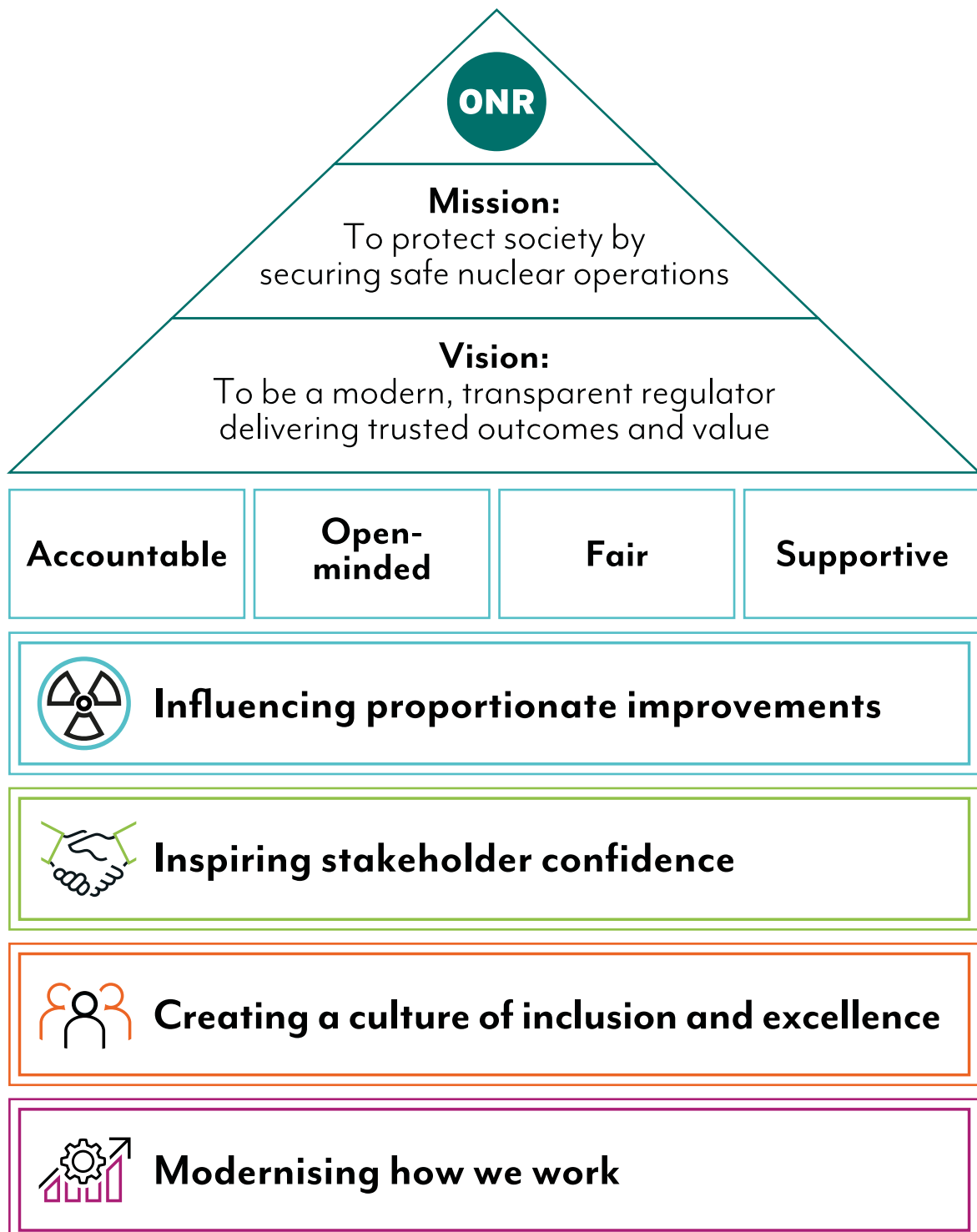
- 4** Continue to build a positive and inclusive organisational culture, embedding our values into our policies and performance management, and ensuring the sustained health and wellbeing of our staff.



## **Strategic Theme 4:** *Modernising how we work*

- 5** Commence organisational effectiveness improvements utilising our new, modern IT system infrastructure, including delivery of our Well Informed Regulatory Decisions (WIReD) project and putting in place the capability to enable new ways of working.





# 2 What has influenced us?



- 2.1 In developing our plan, we have recognised how the response to COVID-19 has changed the way we work now and in the future. We remain ready to adapt as necessary, in line with the latest government advice, as public health restrictions change. In this context, our intention is to protect our capacity for supporting our people and delivering our core regulatory activities. That means our appetite for non-essential work and the pace of our organisational development have been adjusted accordingly.
- 2.2 For the next 12 months, we will maintain focus on our most critical regulatory activities to protect society, and support the wellbeing and safety of our staff, while continuing to be open and transparent to maintain stakeholder's confidence and trust. Our organisational development work will focus on the most critical modernisation activities and change projects to improve our effectiveness.
- 2.3 This plan has also taken account of the government's fresh commitment to nuclear energy, as part of a net-zero carbon economy, which it sets out in its 2020 **Energy White Paper** and **10 Point Plan**. While we do not expect any immediate changes to regulatory demand beyond what is already in this plan, we are working with government to clarify requirements to ensure we are ready to regulate any new large-scale reactors and advanced nuclear technologies.
- 2.4 We will inform government policy as necessary to ensure the high standards of safety, security and safeguards required in the UK are maintained. This extends across the government's ambition for 'better regulation' and 'enabling innovation', where we will continue to take an active role to support new ideas and technologies, while ensuring our focus remains on protecting society by securing safe operations.
- 2.5 We have agreed with government a set of regulatory planning assumptions to balance the external demands beyond our control that underpin the direction and focus of this plan and our work. These are set out at Appendix B.
- 2.6 This plan also takes account of leadership changes, ensuring we maintain stability and capability as we move to a combined Chief Executive/Chief Nuclear Inspector (CE/CNI) role from 1 June 2021. The new arrangements will ensure we are firmly focused on implementing our Strategy 2020-25 and current strategic change projects.
- 2.7 We have augmented our well-established Senior Leadership Team (SLT) to bring in additional capacity. This includes a new senior regulatory role, our Executive Director of Operations, and a Chief Information Officer to lead our IT modernisation and improve in-house expertise. We have also appointed a new Finance Director, bringing additional capacity so our Deputy Chief Executive can support our CE/CNI in his strategic leadership of ONR.



**We will maintain focus on our most critical regulatory activities to protect society, and support the wellbeing and safety of our staff, while continuing to be open and transparent to maintain stakeholder's confidence and trust”**

# 3 About ONR



- 3.1 We are the UK's independent nuclear regulator, with the legal authority to regulate nuclear safety and conventional health and safety at the 36 licensed nuclear sites in Great Britain (GB). This includes the existing fleet of operating reactors, fuel cycle facilities, waste management and decommissioning sites, as well as licensed and, in part, authorised defence sites, together with the regulation of the design and construction of new nuclear facilities. We also regulate the transport of civil nuclear and radioactive materials by road, rail and inland waterways.
- 3.2 Our nuclear security regulation covers approval of security arrangements within the civil nuclear industry, including the 36 licensed sites and other dutyholders, and provides regulatory oversight for the security of transportation of civil nuclear materials.
- 3.3 On 1 January 2021 we became the UK nuclear safeguards regulator for the domestic standards regime and operate the UK State System of Accountancy for and Control of Nuclear Materials (SSAC).
- 3.4 We are governed by a ten-strong unitary Board, comprising a Chair, five independent Non-Executive Directors from a range of backgrounds, and four Executive Directors. From 1 June 2021, the four Executive Directors are Mark Foy, our Chief Executive/Chief Nuclear Inspector (CE/CNI); Sarah High, our Deputy Chief Executive (DCE); Donald Urquhart, our Executive Director of Operations/Deputy Chief Inspector (EDO/DCI); and Geoff Hawker, our Finance Director.
- 3.5 The Board is responsible for our strategy, provides strategic leadership and monitors resources and performance, and supports the work of over 600 staff, normally based in Bootle, Cheltenham and London. The Board also ensures that effective arrangements are in place within our organisation to provide assurance on governance, risk management and internal control.
- 3.6 The CE/CNI leads our organisation and is accountable for ensuring that all ONR funds are spent in accordance with HM Treasury's [Managing Public Money](#) and other relevant governing guidance and instructions. He is also accountable for ensuring that our regulatory activities are targeted effectively and discharged properly, and that regulatory decisions are proportionate, consistent and are made within the legal requirements of the Energy Act 2013 and other appropriate legislation.
- 3.7 Mark Foy is directly supported in fulfilling these duties by our DCE, Sarah High, and our EDO/DCI, Donald Urquhart. Sarah leads our support directorates to ensure the effective and efficient running of the organisation, and Donald provides operational leadership of our regulatory functions.
- 3.8 Alongside Mark, Sarah and Donald, our SLT includes five other DCIs, who lead our regulatory divisions, the directors of finance, HR, and policy and communications, and our Chief Information Officer. Together, the SLT is responsible for leading the ONR team to deliver our mission, vision and strategic outcomes. It is the executive strategic decision-making body, supporting the Board to carry out legislative, policy, operational and administrative functions and requirements.
- 3.9 Transparency about our work is essential to build and maintain public confidence in our regulation. We provide a significant amount of information on our regulatory activities on our website and through our stakeholder engagement. We will always seek to be more open and transparent by sharing information on our activities, answering questions, exploring concerns and explaining our decisions. We routinely engage with site stakeholder groups and local liaison committees at licensed sites, non-government organisations (NGOs), the public, media and local, regional and national politicians.
- 3.10 You can find out more about what we do, how and where we regulate, and how we work with our [stakeholders on our website](#).

## Board



**Mark McAllister**  
Chair



**Jean Llewellyn OBE**  
Non-Executive



**Dr Janet Wilson**  
Non-Executive



**Sir Simon Lister**  
Non-Executive



**Sarika Patel**  
Non-Executive



**Tracey Matthews**  
Non-Executive



**Mark Foy**  
Chief Executive &  
Chief Nuclear  
Inspector



**Sarah High**  
Deputy Chief  
Executive



**Donald  
Urquhart**  
Executive  
Director of  
Operations  
DCI



**Geoff  
Hawker**  
Finance  
Director  
(from July  
2021)

### Key

DCI – Deputy Chief Nuclear Inspector

## Senior Leadership Team



**Key**

DCI – Deputy Chief Nuclear Inspector

# 4 Our strategic themes and key activities





# Strategic Theme 1:

*Influencing proportionate improvements*



Delivery of our core regulatory purposes is our top priority, to protect society by securing safe nuclear operations. Public confidence depends on strong and independent regulation”

- 4.1 Delivery of our core regulatory purposes is our top priority, to protect society by securing safe nuclear operations. Public confidence depends on strong and independent regulation. We will ensure that current and future GB nuclear-licensed sites and other dutyholders conduct their operations safely and securely, and that they can account for and control relevant nuclear material, now we are the UK’s domestic safeguards regulator.
- 4.2 Being assured that site licensees and other dutyholders are adequately resourced to carry out their activities during the COVID-19 pandemic is integral to safe operations. In the Chief Nuclear Inspector’s 2020 Annual Report on the GB Nuclear Industry, we emphasised the need to ensure adequate pandemic resilience arrangements as a priority. We will closely monitor the global and national pandemic situation so our regulation can respond as necessary. Regulatory oversight of health protection measures on licensed sites will continue for as long as needed, and we will act in line with our **Enforcement Policy Statement** should standards fall short.
- 4.3 Through our work with industry, and our engagement with domestic regulators, we continue to learn lessons from the world’s experiences in responding to the pandemic. We will use those to inform and strengthen our organisational resilience and that of the industry against any future pandemics or other incidents. Similarly, we will learn from global initiatives that might have implications for relevant good practice and international standards.

4.4 The Chief Nuclear Inspector's 2020 Annual Report on the GB Nuclear Industry also highlighted three other priorities for industry, which underpin the focus of our regulatory work. These priorities are the same as the previous year and will remain a focus in the years ahead until we are completely satisfied that sustainable improvements have been delivered. These are:

- i. **Management of ageing facilities:** we will maintain our focus on the continued safe and secure operation of ageing facilities; our next CNI themed inspection will provide an industry-wide review of the management of ageing facilities, and we will publish the outcome of the inspection once completed. We recognise the leadership we can bring to enable cross-industry collaboration on this topic. We intend to bring industry leaders together, and other regulators where appropriate, to discuss this and other industry-wide themes, to share good practice and learn from each other to improve performance.
- ii. **Conventional health and safety performance:** there is work being undertaken across the civil and defence nuclear sectors to improve the management of conventional health and safety risk, including fire and electrical safety. We will benchmark the conventional health and safety performance of the nuclear sector with other high hazard sectors to assess relative performance and sharpen our regulatory focus as necessary.

iii. **Delivering a holistic approach to nuclear security:** through the development of our Security Assessment Principles (SyAPs), we have encouraged the civil nuclear sector to adopt a more holistic approach to nuclear security. The introduction of SyAPs means that we assess licensee and dutyholder security in a similar way to how we assess safety, using our Safety Assessment Principles (SAPs). The majority of SyAPs-aligned security plans are now in place, so our regulatory oversight will move from concentrating on the successful implementation of SyAPs to regulating against them.

4.5 Alongside our core regulatory activities, we will establish an 'innovation cell', one of our key commitments in our [Approach to regulating innovation](#), which sets out how we intend to support and enable innovation while maintaining high standards of safety and security.

4.6 We recognise that we have an important role to play in minimising regulatory uncertainty and burden around innovation. Building on our modern and enabling approach, we intend to regulate using practices and behaviours that embrace a diversity of new ideas – where they are safe. Our 'innovation cell', which we intend to launch this year, will provide interested stakeholders with access to a space in ONR where they can freely discuss innovative ideas and seek advice and guidance. It may also provide safe and secure trialling and testing with regulatory oversight of specific projects.

### Our regulatory attention during 2021/22

- 4.7 Underpinned by SAPs and SyAPs, our focus remains to deliver proportionate, targeted and balanced decisions, taking a long-term view of the risks and challenges faced. That means we focus on areas of greatest risk, especially sites receiving enhanced or significantly enhanced attention.
- 4.8 Our regulatory attention levels are assigned for each site based on its performance over the previous year, alongside our understanding of the specific challenges faced, and the level of hazard and risk.
- 4.9 The levels for the year ahead are below. This reflects the shift of EDF Energy Nuclear Generation Limited's (EDF NGL) Hunterston B site from enhanced to routine attention, because it now has an acceptable safety case to cover the period to the declared 'end of life' dates for both reactors in 2021. It also reflects the change of EDF NGL Corporate from enhanced to routine for security considerations, to recognise the progress made in developing SyAPs-aligned security plans.

**Table 1 – Regulatory attention levels for 2021/22**

Regulatory attention	Licensed site
<b>Significantly enhanced</b>	Sellafield – First Generation Magnox Storage Pond, Magnox Swarf Storage Silo, Pile Fuel Cladding Silo and Special Nuclear Materials Facilities, and overall site security (Sellafield Ltd)
<b>Enhanced</b>	Atomic Weapons Establishment, Aldermaston (AWE)
	Atomic Weapons Establishment, Burghfield (AWE)
	Devonport Royal Dockyard Ltd (DRDL)
	Sellafield – Remainder of estate (Sellafield Ltd)
	Dungeness B (EDF Energy Nuclear Generation Ltd)
	Magnox Limited (Security considerations only)
	Harwell – Magnox Limited (Security considerations only)
Urenco Capenhurst (Security considerations only)	



## Strategic theme one priorities for 2021/22

**Priority 1:** Maintain delivery of our core regulatory purposes, including targeted oversight of enhanced attention sites, holding dutyholders to account on behalf of the public.

### New Reactors

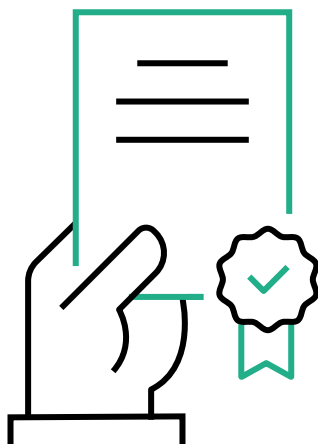
- 4.10 We will continue to regulate safe construction of Hinkley Point C (HPC), focusing on completing the necessary assessments in order to make a decision about whether to permission the start of Bulk Mechanical, Electrical and Heating, Ventilation and Air Conditioning (MEH) installation for unit one. We will also be closely monitoring HPC's oversight of its wider manufacturing supply chain, with specific focus on the quality of components and construction surveillance.
- 4.11 Our assessment of the nuclear site licence application for Sizewell C (SZC) will continue into 2022. Our decision on whether to grant the application or not will be made in accordance with our [Licensing Nuclear Installations](#) publication. It will be underpinned by a programme of targeted interventions, and the robust assessment of information provided to us, to ensure NNB Genco (SZC) Ltd is a suitably capable organisation to take ownership of a nuclear site licence, if one was to be granted. While we do not expect to make our final decision this year, we will keep interested parties and local stakeholders informed of our regulatory work.
- 4.12 Step four of the Generic Design Assessment (GDA) of the UK HPR1000 reactor will continue, with completion expected in early 2022, at which point we will make our decision on whether to issue a Design Acceptance Confirmation or not. We recognise the high levels of stakeholder interest in this GDA and, alongside the Environment Agency, we will continue our proactive programme of engagement with key groups to build understanding and awareness of our conclusions and, in due course, our decision.

- 4.13 After strong signals from the government last year in its 10-point-plan and Energy White Paper, we expect to continue our preparatory work to regulate future advanced nuclear technologies (ANTs), including small modular reactors (SMRs) and advanced modular reactors (AMRs). Government has committed to opening GDA to ANTs in 2021, and with the second tranche of funding made available to both ourselves and the Environment Agency, we will further develop our capability, guidance and processes.

### Operating Facilities

- 4.14 As a strategic priority laid out in the Chief Nuclear Inspector's 2020 Annual Report on the GB Nuclear Industry, regulation of ageing facilities will define a significant amount of our work this year. We expect to assess and determine further safety cases related to graphite degradation in the Advanced Gas-cooled Reactor (AGR) fleet. We will also prioritise corrosion management, boiler integrity and more general management of ageing across the fleet, which was always expected as these reactors neared their 'end of life'. Hunterston B in Ayrshire and Dungeness B in Kent, while no longer in enhanced regulatory attention, will remain a regulatory focus as we continue to ensure reactors only operate where it is safe to do so.
- 4.15 More widely, we are engaging with EDF Energy on its future plan to transform its corporate technical support, in order to ensure that it retains the resilience and technical capability needed to keep its sites safe and secure as the AGRs come to the end of operation. EDF has already announced closure dates for Hunterston B and Hinkley Point B in Somerset, and we remain agile to respond to any such further decisions that EDF may make in the future. At Dungeness B, EDF has developed a performance improvement plan; regulatory oversight of its delivery will also be a key focus for us over 2021/22.

- 4.16 At defence sites, we remain focused on influencing safety improvements to bring the Atomic Weapons Establishment (AWE) facilities at Aldermaston and Burghfield, as well as Devonport Royal Dockyard Limited (DRDL), to a standard commensurate with routine regulatory attention. That will mean a continued focus on short and medium-term leadership, culture, governance, compliance and infrastructure improvements across those sites.
- 4.17 Specifically, for AWE we will be seeking assurance regarding improvements in its capability and capacity for the establishment of credible plans that prioritise safety and support the delivery of a challenging programme of safety submissions to time and quality. We are providing regulatory oversight to its planned change of ownership, due to come into effect in 2021.
- 4.18 DRDL has made significant safety improvement progress towards a return to routine attention over the last two years. Due to the limitations caused by the COVID-19 pandemic, some improvement work has had to be deferred. However, we are now working with DRDL to re-establish a focus on the improvement plan, and anticipate significant progress being made in the year ahead.



### Sellafield, Decommissioning, Fuel and Waste

- 4.19 Assessment and permissioning activities across a range of hazard and risk reduction projects in the Nuclear Decommissioning Authority (NDA) estate will continue during the year, ensuring that our work is undertaken in a targeted and proportionate manner. We want to enable safe and timely decommissioning, and expect to undertake regulatory activities in relation to de-licensing projects at GE Healthcare Amersham, Magnox at Harwell, and Imperial College this year.
- 4.20 Having seen through the Dounreay Exotics Consolidation programme, focus will now be on pre-construction engagement for civil structures that will enable progress on the legacy shaft and silo project. We will also be regulating preparations for the decommissioning of the Steam Generating Heavy Water Reactor (SGHWR) at Winfrith.
- 4.21 At Sellafield, our focus is on enabling the safe commencement and sustained delivery of the early waste retrieval programmes for the Magnox Swarf Storage Silo (MSSS) and the Pile Fuel Cladding Silo (PFCS) facilities. Continued safe management of plutonium at Sellafield remains a high priority too. Our interventions have resulted in major safety improvements at Sellafield's Special Nuclear Material Complex (North) and we will maintain focus on the remaining hazard and risk-reduction projects to secure their timely completion. This work is in parallel with regulating the construction of new facilities required for longer-term safe plutonium management that will deliver significant safety improvements and risk reduction.
- 4.22 We will continue to provide advice and engage with national and local government and Radioactive Waste Management Ltd (RWM) to ensure that any decisions made in the site selection of any future geological disposal facility (GDF) and its design are informed by modern safety and security standards, with our regulatory expectations clear from the outset.

4.23 Following our **consultation on the definition of bulk quantities**, we will publish our response and establish a clear position statement on what it means for storage and disposal interpretations. Our work with government to inform policy on UK materials consolidation, proportionate regulatory controls and plutonium disposition continues.

### Civil Nuclear Security and Safeguards

4.24 Our domestic safeguards sub-division is now fully integrated into the division, and we are functioning as the statutory regulator, enabling the UK to meet its international safeguards obligations. We will continue to refine and evolve our capability over the first full year of regulatory activities, working closely with dutyholders as they adjust to the new regime and arrangements.

4.25 With SyAPs-aligned security plans in place for most licensees and other dutyholders, our attentions will increasingly turn this year to ensuring they deliver to their improvement schedules, while completing our assessment of the remaining security plans from Magnox Ltd. As the programme of implementation continues, we expect to begin assessing the benefits of outcome-focused security regulation for us, our dutyholders and the public. We also expect to work with government to ensure the legislative framework remains fit for purpose to support the move to outcome-focused nuclear security.

### Technical Division

4.26 Following the submission by all local authorities of emergency plans under the Radiation (Emergency Preparedness and Public Information) Regulations 2019 (REPPiR 19) in late 2020, we will undertake assessments and detailed interventions to seek assurance as to compliance. This will include offsite emergency exercises, where COVID-19 restrictions and local conditions allow.

4.27 Embedding our approach to considering the economic impact of our regulatory decisions is an important aspect in being a modern, transparent regulator. This year we will begin by developing training and guidance for our inspectors to support consideration of the likely cost of their decisions at the time they are made.

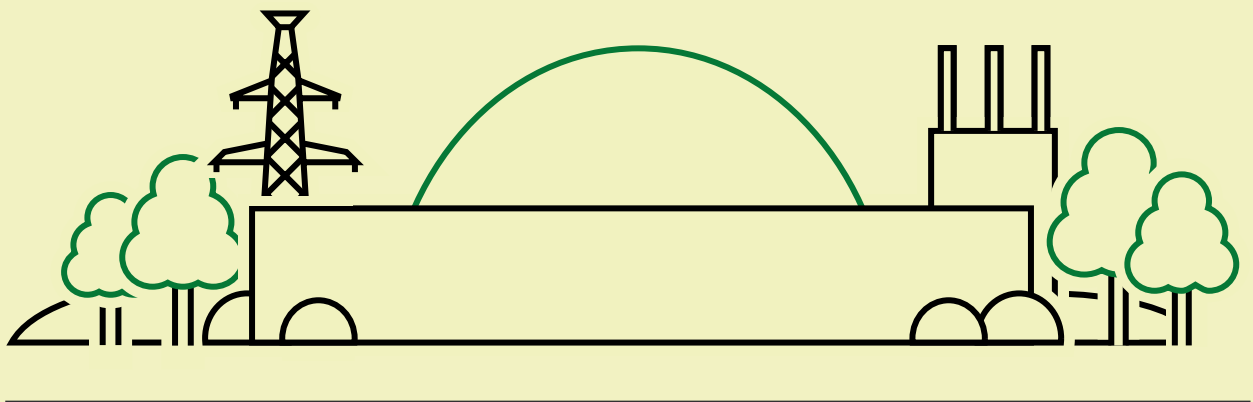
**Priority 2:** Begin to enhance collaboration and integration across our purposes through better co-ordination of inspections and regulatory guidance across safety and security.

4.28 Our intention, over the longer term and beyond the scope of this plan, is to enable greater transparency for dutyholders, where appropriate, to satisfy regulatory expectations for both safety and security against a combined set of principles and guidance, bringing greater synergy and efficiency. Better collaboration across nuclear and conventional safety, security, transport and safeguards will offer greater opportunities to influence proportionate improvements and deliver compliance where required. It will also enable us to deliver more consistent and consolidated reporting on industry performance to our stakeholders and the public across all our regulatory purposes.

4.29 This year we will take the first steps in delivering this ambition. Specifically in seeking to enhance co-ordination, collaboration and integration across our five regulatory purposes by 2025, we will create better alignment between safety and security in our well-established framework for assigning regulatory attention levels. In practice, this means better enabling our inspectors to plan interventions this year in an integrated way across our purposes and begin work to combine our SAPs and SyAPs into one publication.

# Our mission

is to protect society  
by securing safe  
nuclear operations



## Strategic Theme 2:

*Inspiring stakeholder confidence*



Our aim is to go from ‘good to great’ by 2025, continuously improving our strong engagement programme, which already welcomes diverse perspectives, informs government policy and seeks to be open about our regulatory decisions and activities”

- 4.30 Our **Stakeholder Engagement Strategy 2020-25** sets out our objectives and intentions to inspire confidence across the diverse range of groups we engage with by building greater trust, working with different stakeholders to broaden our perspectives and create better understanding of our work, as well as improving our transparency. We are proud of our mature stakeholder engagement approach, which includes constructive relationships with those we regulate, NGOs, communities around sites, the wider public and international partners.
- 4.31 Our most recent survey demonstrated that we continue to be viewed as professional, independent and trusted. We continue to take account of the limitations of physical engagement due to COVID-19, and are making use of a range of virtual platforms to engage domestically and internationally.
- 4.32 Our aim is to go from ‘good to great’ by 2025, continuously improving our strong engagement programme, which already welcomes diverse perspectives, informs government policy and seeks to be open about our regulatory decisions and activities. Building on that success, we will take steps this year to broaden our outwards reach, considering new stakeholder groups that we have not yet engaged with – such as different NGO groups, industry supply chains, professional bodies and industry investors. The purpose will be to engender a greater understanding of our regulation and give us a wider source of insight to inform our work and future engagement.



- 4.33 We have a mature working relationship with government and work closely with devolved administrations where needed. This year, we will engage with the Department for Business, Energy and Industrial Strategy (BEIS) on a range of policy matters including new technologies, security regulations, embedding the UK domestic safeguards regime, reforming the Better Regulation framework and implementation of the Energy White Paper and Nuclear Sector Deal commitments where appropriate. We want to ensure the regulatory framework is understood and policy implementation upholds the high standards of safety, security and safeguards in the UK.
- 4.34 We published our revised Strategic Framework for International Engagement in March 2021, updating our key priorities and intended outcomes to reflect EU Exit, wider policy developments, and alignment to our Strategy 2020-25. This year, we will prepare for the Joint Convention on the Safety of Spent Fuel and Safety of Radioactive Waste Management due in 2022, and will work with the Organisation for Economic Co-operation and Development's (OECD) Nuclear Energy Agency (NEA) to develop guidance on the characteristics of a trusted regulator, to inform public engagement approaches across nuclear safety regulators.
- 4.35 Learning from others, domestically and internationally, to improve our effectiveness and the outcomes we seek to influence is central to our Strategy 2020-25 to inspire stakeholder confidence. As well as learning from international partners to inform our regulation, communications, and professional and organisational development, we are building stronger links with other domestic regulators.
- 4.36 We will continue to play an active role as part of the UK Health and Safety Regulators' Network, which shares perspectives and addresses common regulatory challenges (such as enabling innovation and the cost of regulation). By working better together, we will use our collective influence and learning to inform UK policy and regulatory activities.
- 4.37 In 2020 the IAEA published its report on the Integrated Regulatory Review Service on the UK mission. We will continue to progress our action plan in response to the learning and recommendations for ONR, and work with government to provide technical advice for its co-ordinated response to the IAEA findings.

### Strategic theme two priorities for 2021/22

**Priority 3:** Publish our framework to enhance transparency with our stakeholders.

- 4.38 We are committed to retaining public trust in us by seeking to be an exemplar of transparency. Through our local, regional and national engagement, proactive publication of information and increasing the accessibility of that information, we will continually improve our transparency. To shape our future ambitions and deliver on this commitment, our work will continue to be underpinned by learning from other regulators at home and abroad; listening to stakeholder feedback from NGOs, interested parties and the public; and drawing from our professional networks and the International Atomic Energy Agency (IAEA) guidance on public engagement to outline direction and deliverables.

- 4.39 This year our priority is to continue engaging on the principles of how we will work, and actions that will enable us to become an exemplar of transparency, consulting with a diverse range of stakeholders and benchmarking against leaders in this area. We will use that feedback and insight to shape our framework for openness and transparency, setting out our ambitions and intentions to 2025, which we will publish in 2022. Our annual stakeholder survey enables us to gather views on our performance and areas for development so we can continue to review, learn and improve where necessary.
- 4.40 In line with our transparency agenda, we'll deliver the third CNI annual report on the performance of the GB nuclear industry in autumn 2021. This will provide an independent assessment of the nuclear industry's safety, security and safeguards performance, our view on its priorities and our assessment of confidence in standards achieved.
- 4.41 Independent advice and feedback on matters that may be relevant to our regulation is integral to our work. We use the CNI's Advisory Panel, which consists of academics, nuclear experts, other regulators and NGOs, as well as other expert groups we engage with, to get advice and insight on topics relevant to our regulation. Our ambition is to make more information about these groups available, and how we work with them, through our website and other publications to enhance transparency.

- 4.42 Our engagement with NGO representatives, including our regular forums with local and national groups, will continue throughout the year, virtually at first while restrictions are in place. Recognising the frustration of some NGOs about the extent of our legal powers and locus of decisions, especially in relation to new nuclear, we intend to help make better connections for them to other key stakeholders to provide the information they seek, including government and other regulators. We will also review the terms of reference for the ONR NGO Forum, to ensure they remain fit for purpose.
- 4.43 We will also continue to engage regularly with the nuclear industry's Safety Directors' Forum (and its committees) to consider industry-wide matters. This year we expect to see the outcome of its work on site stakeholder group/local liaison committee good practice. We are keen to see what learning there is for regulators, and will consider any lessons about what more we can do to participate and work with these groups to create greater engagement with our work and inspire confidence in us. More widely, we will continue our proactive engagement with licensees and other dutyholders to bring greater transparency in our charging arrangements and fees.



# Our vision

is to be a modern,  
transparent regulator  
delivering trusted  
outcomes and value



## Strategic Theme 3:

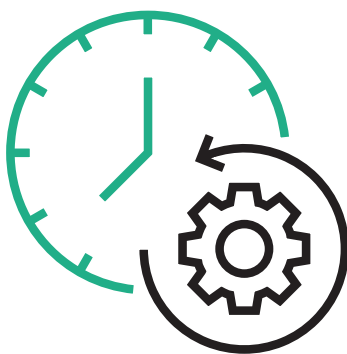
*Creating a culture of inclusion and excellence*



We are incredibly proud of the way our staff have responded to the COVID-19 pandemic, demonstrating resilience, professionalism and commitment throughout”

- 4.44 We are incredibly proud of the way our staff have responded to the COVID-19 pandemic, demonstrating resilience, professionalism and commitment throughout. Maintaining their health, safety and wellbeing is important, and we will continue to do all we can to support them to ensure we are able to fully deliver our mission. Although we cannot be certain what wider or longer-term impact COVID-19 may have, this plan assumes the pandemic will continue to impact us in the coming year; sustaining the health and wellbeing of our people, underpinned by effective leadership and management, remains one of our top five priorities.
- 4.45 Our organisational development continues to ensure we make progress on strategic change priorities, while retaining the capacity to respond effectively to the pandemic. We expect to fulfil some of the opportunities identified through our New Ways of Working (NWoW) project, which made recommendations for how we may work in the future, learning from our COVID-19 response. We will focus this year on fully equipping leaders and managers, through training, development and guidance, to lead our people through change and to adapt to a more flexible working environment.
- 4.46 Along with our periodic pulse surveys, we will undertake a full staff survey this year to measure our employee engagement and help us identify and understand issues that matter most to our people. We will act upon the feedback from these surveys, which will allow us to identify our successes, as well as opportunities to improve our organisation, our teams and ourselves.

- 4.47 The ongoing development of the ONR Academy is integral to our culture of excellence. Having moved much of our delivery of training and coaching online following COVID-19, we will broaden our use of digital learning, exploiting new technologies to enhance the learning experience for our staff, and enable more flexible working.
- 4.48 We will implement a more open and transparent talent management and succession planning process during the year. This will ensure staff have regular opportunities to discuss their career development and progression goals, facilitating the development of clearer career pathways.
- 4.49 A positive and inclusive organisational culture requires effective communication at all levels. We have well-established channels to communicate with our staff, but have learnt much from our engagement during the COVID-19 pandemic. This year we will re-shape our internal engagement strategy based on this learning and recommendations from our NWoW project, and to reflect the new senior leadership structure.



### Strategic theme three priorities for 2021/22

**Priority 4:** Continue to build a positive and inclusive organisational culture, embedding our values into our policies and performance management, and ensuring the sustained health and wellbeing of our staff.

- 4.50 Improving our organisational culture is our key priority under this strategic theme during 2021/22. By investing in our people and developing a healthy and inclusive culture where all can excel in an environment that fully embraces the diversity that creates great teams, reflects our values and focuses equally on delivery and behaviour.
- 4.51 Over the last year, we have focused on the mental health and wellbeing of our people to support them in building resilience and developing coping strategies given the prolonged impact of the pandemic. We want to support our people to be mentally and emotionally healthy, as well as physically healthy and safe. We believe that positive mental health, and healthy ways of working, are essential to promoting behaviour consistent with our organisational values, supporting each other and being more open-minded.
- 4.52 This year we are unwavering in our commitment to delivering a programme of engagement and education to fully embed ways of working that enhance individual wellbeing, reduce stressors and enable an ever-improving culture of inclusion and excellence.

- 4.53 We will provide leadership and management development programmes, as well as core skills learning for the whole organisation, that will enhance our capability. Our focus over the next 12 months specifically will be on how our leaders and managers can help drive a positive and inclusive culture, and enable high performance. These programmes will not only be focused on policy and processes, but be value and behaviour-based, with an emphasis on effective engagement, and be applied consistently across all levels in our organisation.
- 4.54 We will also simplify our performance management system, by better aligning it with our organisational values and enhancing its focus on personal development, as well as improving effectiveness by making regular, high-quality dialogue and feedback integral to how it operates. We want a greater emphasis on continuous performance improvement, enabled by more effective coaching and encouraging greater personal accountability.
- 4.55 Our diversity and inclusion plan, informed by external best practice, includes a more effective internal engagement plan built around an 'engage, educate and embed' approach. We will deliver an annual event programme to promote and raise awareness of diversity and inclusion to create a better understanding of what diversity means for our organisation. This includes a reverse mentoring scheme to build better understanding of diversity and inclusion good practice, as well as issues and concerns, up and down our organisation.
- 4.56 Through more engagement with local government and other public bodies, we will also implement an outreach programme across apprenticeship and recruitment pipelines to attract a more diverse pool of candidates that is more representative of the communities in which we are based, bringing more diverse perspectives and experiences to benefit our organisation's work and development. In addition, we will be reviewing our own ambitions for gender balance and representation of other protected characteristics. This is to ensure we are focusing attentions – beyond this year – on those areas where greater diversity in our workforce is necessary, underpinned by the transparency needed to demonstrate how we intend to achieve this and future progress.
- 4.57 In addition, as an accredited Disability Confident Level 3 Leader, we will champion, encourage, and support others across the nuclear industry and wider by sharing our best practice and learning. We also intend to undertake re-accreditation of the National Equality Standard, signalling our own ongoing drive to promote diversity and inclusion and commitment to the Nuclear Sector Deal target of 40% of women to be employed in the industry by 2040.



## Accountable

We act with integrity and honour our commitments. We are accountable for our actions, behaviours and impact on others. We own our mistakes and learn from them. We ask for and offer help when needed.



## Open-minded

We proactively seek new and innovative ways of working to help each other and ONR excel. We are open to ideas and feedback from our colleagues and stakeholders and take all opportunities to improve ourselves, our teams and our organisation.



## Fair

We are inclusive and respect people for who they are. We welcome and value diverse perspectives, in and outside of ONR, and share our views openly and constructively. We make decisions fairly, based on the best, broadest available information. We recognise good performance and behaviour and address exceptions.



## Supportive

We show that we care for each other and our stakeholders, making a positive difference to others' wellbeing and performance. We listen, trust each other and work together to harness our collective skills, knowledge and experience to make better decisions.



## Strategic Theme 4:

*Modernising how we work*



The NWoW project has provided extensive insight and a clear set of recommendations to shape our modernisation agenda”

4.58 The NWoW project has provided extensive insight and a clear set of recommendations to shape our modernisation agenda. We are making good progress to reflect those recommendations within the relevant modernisation activities and strategic change projects, as set out below. This will ensure our learning from COVID-19 is sustained and shapes the organisation we want to be in the future for our people, dutyholders, wider stakeholders and the public.

4.59 Firstly, we will update our Estates Strategy so that it better reflects our future organisational demands, taking account of the changing context in how and where we work. We will ensure our offices continue to be COVID-secure, so that we can safely accommodate increasing staff levels, as and when government restrictions allow. We will also take stock of what a more blended and flexible approach to office and home working will mean for our office accommodation and how we use the space in future to better enable collaborative working.

4.60 We will also continue to enhance our business continuity arrangements. We will use operational experience gained during our response to COVID-19 to update our Incident Management Framework, enabling us to apply lessons learned to how we manage any future responses. The Framework will be fully aligned to existing emergency planning and response arrangements, and we expect to continue our programme of regular testing – virtually and in person as restrictions allow – over the next 12 months.



- 4.61 We have always recognised that enhancing the efficiency and effectiveness of our in-house systems is central to being a modern organisation that delivers value. We will begin work this year to scope our needs for the outsourcing of transactional services for finance, procurement and human resources, ahead of procuring a new service when our current arrangements come to an end in 2023. This will include proactively exploring opportunities for shared services arrangements as part of a wider consortium of public bodies, given the potential efficiencies that this may bring.
- 4.62 We have already moved many of our manual processes to automated and integrated systems, including delivering routine management information and risk reporting. This year, we will implement our new workforce planning tool, which will be fully integrated within our planning framework to better inform key resourcing and organisational planning decisions and forecasting, providing more efficient and mature arrangements, offering better value for money.
- 4.63 Our Strategy 2020-25 commits to reviewing our organisational capabilities and capacity requirements (current and future demands) to inform our future organisational blueprint. Taking account of the modernisation portfolio underway, including our activities to build capability, we will provide an initial scope and high level plan for undertaking a robust review of our organisational blueprint this year. We will take account of the benefits we expect to achieve from modernisation and organisational change, as well as considering future regulatory demands and the skills that will be required to meet them.
- 4.64 The government's Post Implementation Review (PIR) of ONR under Part Three of the Energy Act 2013 will take place this year, providing external assurance over and above our routine plans (as set out in section 8). It will be a joint review between BEIS and the Department for Work and Pensions (DWP), and is a requirement in law. It will provide an independent review of our purpose, functions, governance and how we exercise our regulatory functions. We will support and co-operate fully with the review and will carefully consider any recommendations and how these may need to be addressed in our future work.



### Strategic theme four priorities for 2021/22

**Priority 5:** Commence organisational effectiveness improvements, utilising our new, modern IT system infrastructure, including delivery of our Well Informed Regulatory Decisions (WIReD) project and putting in place the capability to enable new ways of working.

- 4.65 Our key priority under this strategic theme for the year ahead is delivering two critical strategic change activities: modernisation of our IT systems, and WIReD, which will modernise our regulatory processes.
- 4.66 In 2020, we separated our IT network and data from the Health and Safety Executive, creating our own independent IT network and services. This delivered modern IT infrastructure that we can now build upon to improve the efficiency of our ways of working. We will ensure that our staff continue to have access to modern IT services wherever they are, enabling an effective blend of remote and office working where required, and helping our staff make better use of opportunities from mobile and digital technology.



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**Our IT modernisation and accompanying cyber security resilience projects will deliver an extensive portfolio of change across multiple years, focused on improving user experience, efficiency and resilience”**

- 4.67 Our IT modernisation and accompanying cyber security resilience projects will deliver an extensive portfolio of change across multiple years, focused on improving user experience, efficiency and resilience. This year we will concentrate on developing our IT service; working with our new supplier and developing our internal capacity and capability to manage an exemplary service for our staff. We will also refine our governance and risk management arrangements for cyber security.
- 4.68 We will continue to train our staff to ensure we maximise the opportunities our new digital services have provided. We intend to focus on developing our business intelligence function, by producing enhanced qualitative and real time management information to inform both our charging to industry and our organisational performance.
- 4.69 Our WIReD project will improve our knowledge and information management, making our processes more accessible, efficient and better integrated for dutyholders. We have been developing the platform over the last two years, engaging our staff and stakeholders to shape the design and functionality. We will fully implement the new platform this year, improving the consistency of end to end regulatory processes across the organisation and increasing our regulatory insight capability.



# 5 Our performance



5.1 We will report our performance against this plan to our Board and through Quarterly Assurance Reviews to DWP, our sponsoring department, and to BEIS. Annually, we will report on our performance and accountabilities to Parliament and the public through our Annual Report and Accounts. Our CNI annual report will provide additional information about our regulation and the performance of the GB nuclear industry. Through these reporting arrangements, we will disclose:

- how effectively we influenced proportionate improvements through dutyholders across all our regulatory purposes;
- how we delivered the principles of the UK Regulators' Code
- the extent to which we have operated efficiently and delivered value for money
- whether we met our key performance indicators
- how we have performed against our plan
- the progress we have made in delivering our Strategy 2020-25

### Our corporate milestones

5.2 Our corporate milestones, to monitor our performance against this plan, are outlined at Appendix A.

### Our Organisational Effectiveness Indicators

- 5.3 Over the past three years we have developed our Organisational Effective Indicator (OEI) framework, which is based on the OECD's NEA Ten Characteristics of an Effective Nuclear Regulator. This shows how we operate and regulate in a manner that delivers effective outcomes for safety, security and safeguards.
- 5.4 The OEIs are aligned to our four strategic themes and provide a broad evidence base for us to assure our Board, government and the public of the efficiency and effectiveness of our regulation and wider organisational impact. The ten OEIs are underpinned by sub-indicators, each with outputs and outcome-based measures attached. The consolidation of the outputs and outcomes indicate the extent that our Strategy 2020-25 intent has been achieved, evidenced through our management information.
- 5.5 During 2020/21, we worked to refine the framework so that the ten OEIs fully align with the priorities in our Strategy 2020-25 and present clear outcomes against each. This year we will focus on maturing our approach with greater emphasis on defining and reporting against the new output and outcome-based measures and indicators. Figure one explains our governance structure of the OEI framework, and figure two sets out our ten OEIs.



**Figure one – Governance structure for the Organisational Effective Indicator (OEI) framework**

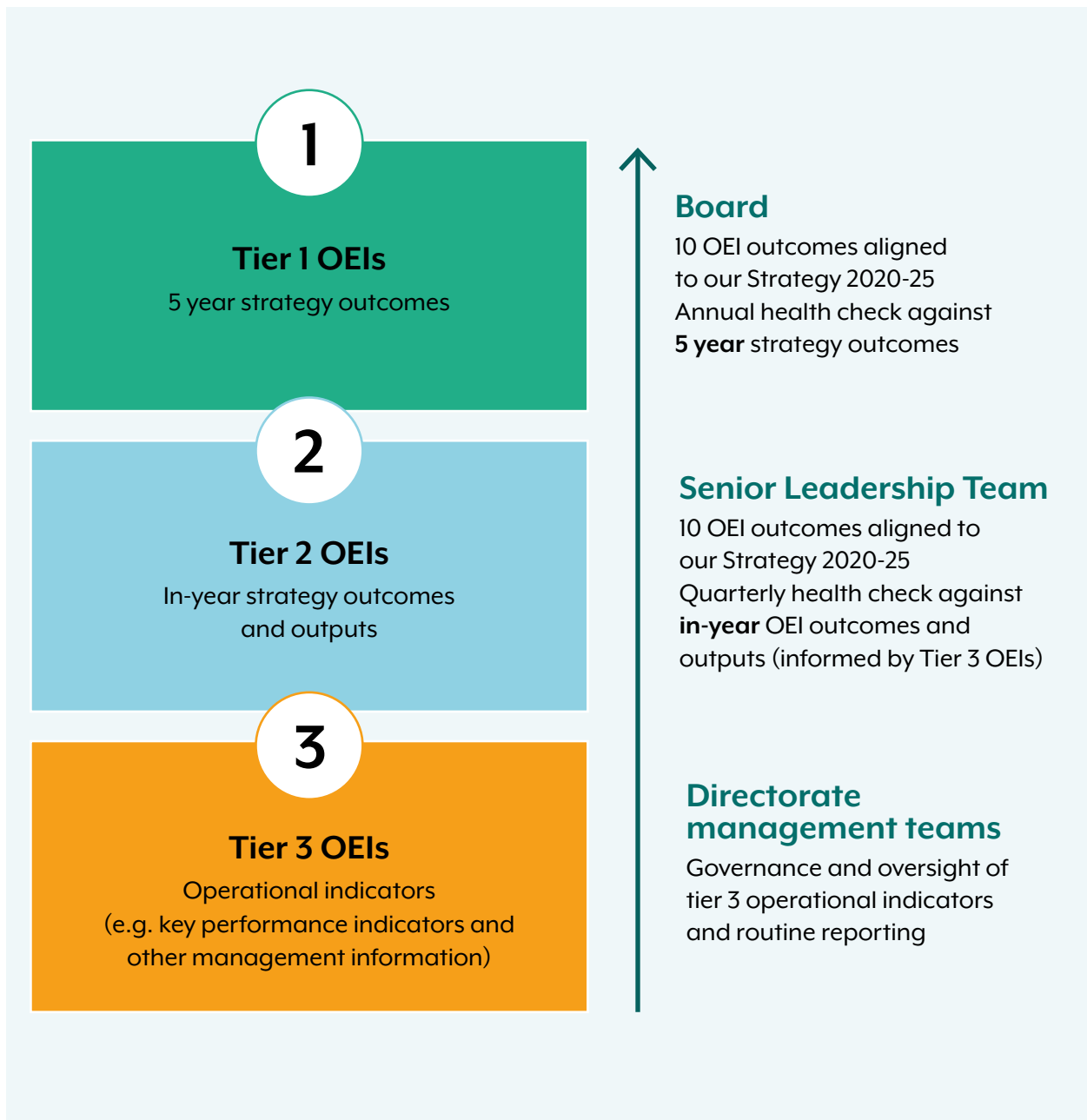


Figure two – Tier one organisational effective indicators



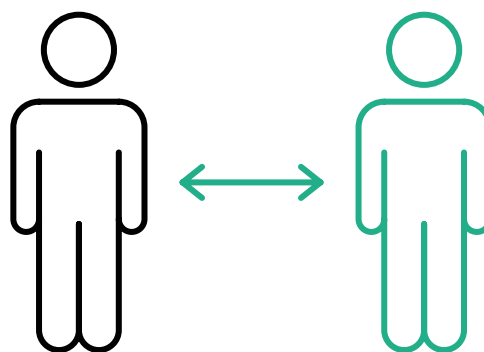
# 6 Our resources





## Our people

- 6.1 The COVID-19 pandemic has shown the resilience of our people as they responded and adapted to the challenges of the past year, remaining focused on delivery of our mission. We continue to keep our approach to office attendance and risk assessment of site visits under review, to keep our staff and those we work with safe and well. Our plan for this year takes account of our ongoing response, focusing on our key priorities and taking a longer term view on some of our organisational development, where appropriate, to ensure staff have the capacity and support to deliver regulation first and foremost.
- 6.2 The impact that government appetite for nuclear new build and emerging technologies has on our resources and capability is also considered within our planning. Through our routine horizon scanning and strategic workforce planning, we are keeping our assumptions under review and will flex our recruitment and talent pipelines as needed to respond as appropriate.
- 6.3 Based on current assumptions and known demands, as set out in Appendix B, we do not envisage significant growth in staff numbers this year, beyond addressing staff turnover and targeted recruitment for niche areas, such as IT capability and new nuclear technologies, to enhance and evolve our current skills mix. Where appropriate, we will consider short term contracts, and use of Technical Support Framework (see below) to fill capability gaps, if they arise due to unplanned pressures.
- 6.4 Through our Academy we will continue to develop the skills and capabilities of all our staff, with a growing focus on improving regulatory co-ordination and integration across our purposes. We will also seek to broaden the use of digital learning within the Academy and in particular the opportunities to use new technologies to embrace innovation and deliver the recommendations from our NWoW project.



## Our commercial arrangements

- 6.5 During 2021/22 we will ensure that our commercial arrangements continue to drive and add value, both from our existing and new contracts, ensuring that they deliver to time, quality, scope and cost criteria. We have established governance arrangements that provide a strategic overview of our contract performance, risks and issues with a clear focus on regular supplier engagement.
- 6.6 Our **Technical Support Framework** provides a modernised and flexible approach to procuring technical support, where such skilled resource is not available from within ONR, or where the recruitment of permanent staff would not deliver best value. We will continue to maximise and review the use of Technical Support Contracts (TSCs) within the framework to secure value and to deliver efficiencies in our procurement. We will also review the whole framework with the intention of refreshing it in 2022.



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We are prudent in setting our budget to ensure it reflects our ambition to deliver our core purposes effectively and efficiently, whilst providing best value for money”

## Our budget 2021/22

- 6.7 We are funded primarily by charges to the nuclear industry, through cost recovery from dutyholders and charges to government for specific commissioned activities. In addition, we receive grant funding from DWP, which is around 2% of our budget and covers activities that we are not permitted to recover.
- 6.8 On that basis, we are prudent in setting our budget to ensure it reflects our ambition to deliver our core purposes effectively and efficiently, whilst providing best value for money.
- 6.9 The budget required to deliver our 2021/22 plan is £95.04m. This compares to our 2020/21 final outturn expenditure of £96.5m. The budget reflects regulatory assumptions agreed by our Board and government at Appendix B, as well as the resources necessary to deliver the commitments in this plan together with achievement of our corporate priorities and strategic intent as set out in our Strategy 2020-25.





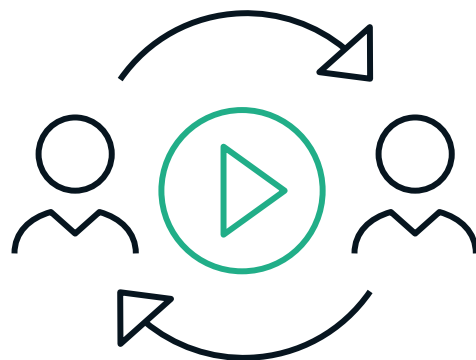
# 7 Strategic risks



- 7.1 We manage risk through our directorates and divisions, with clear lines of executive accountability and regular review and challenge by our Risk Improvement Group and Senior Leadership Team. Scrutiny is provided by our Audit and Risk Assurance Committee (ARAC) and Board.
- 7.2 We have made significant progress in the last 12 months to address our risks, with new controls and mitigations in place where necessary. Aligned to our Strategy 2020-25, we are managing and mitigating against the following strategic risks:
- Delivering effective and efficient regulation
  - Responding to COVID-19 pandemic
  - Change and/or uncertainty in policies and environment within which we operate, ensuring we are flexible, adaptable and capable to respond to changing contexts
  - Information management practices and protective security systems to ensure we have adequate levels of security and control
  - Cyber security and associated infrastructure
  - Enhancing our organisational capability
  - Commercial oversight and delivery
  - Managing a portfolio of change
  - Administration of government's export control regime
  - Incident management
  - Financial strategy – funding and charging.



**We manage risk through our directorates and divisions, with clear lines of executive accountability and regular review and challenge by our Risk Improvement Group and Senior Leadership Team. Scrutiny is provided by our Audit and Risk Assurance Committee (ARAC) and Board”**



## 2021/22 Risk appetite statement

7.3 Our appetite for particular risk areas depends on factors such as the likelihood of the risk occurring and the potential impact of the risk (before and after controls) on our strategic objectives. We also consider the interdependencies in our risk appetite across our functional areas, taking account of the cumulative impact that may manifest as a result.

7.4 The following statements, which are reviewed annually, provide the context for making well-considered decisions in particular areas and our Board expects decisions to be taken in line with the appetite it has determined. Where appropriate, we have assigned a classification in line with the Treasury risk appetite definitions listed below.

Classification	Description
<b>Averse</b>	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is paramount. Activities undertaken will only be those considered to carry virtually no inherent risk.
<b>Minimalist</b>	Predilection to undertake activities considered to be very safe in the achievement of key deliverables or initiatives. Activities will only be taken where they have a low degree of inherent risk. The associated potential for reward/pursuit of opportunity is not a key driver in selecting activities.
<b>Cautious</b>	Willing to accept/tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant reward and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
<b>Open</b>	Undertakes activities by seeking to achieve a balance between a high likelihood of successful delivery and a high degree of reward and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
<b>Hungry</b>	Eager to be innovative and choose activities that focus on maximising opportunities (additional benefits and goals) and offering potentially very high reward, even if these activities carry a very high residual risk.

## Regulatory

- 7.5 Our regulatory framework is mainly non-prescriptive and puts the responsibility on dutyholders to demonstrate that the level of risk has been reduced as low as is reasonably practicable (ALARP).
- 7.6 Our inspectors use guidance from a range of sources, including SAPs, SyAPs and safeguards principles (ONR Guidance for Nuclear Material Accountancy, Control and Safeguards – ONMACs) and our guidance on Risk Informed Decision-making.
- 7.7 In interpreting the different legal frameworks for safety, nuclear security and nuclear safeguards, we recognise that there is an element of risk in undertaking every activity (for example, we may accept an increase in short-term risk to enable accelerated risk reduction in the longer term), but we ensure that dutyholders can demonstrate these risks are adequately controlled, taking account of relevant factors and circumstances.
- 7.8 We are supportive and open to considering innovative technologies, however our risk appetite is largely *cautious* given the need for confidence that the benefits claimed can be achieved. For certain applications, given the importance of safety or security of the technology proposed, our risk appetite will remain *minimalist*.

## Operational

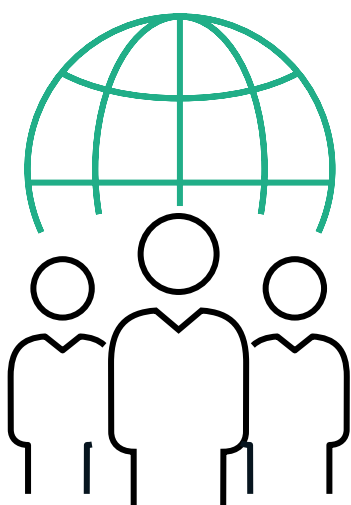
- 7.9 From an operational perspective, we are open to considering new processes and ways of working to improve our efficiency and effectiveness, for example our WIReD project. However, our risk appetite in regard to development and implementation is *cautious* given the need to ensure there is adequate change control and confidence in business continuity throughout any transition. We continue to work closely with stakeholders in seeking feedback to inform and improve our operational effectiveness.

## Reputational

- 7.10 The nuclear industry comes under close public scrutiny and our role as a regulator is equally open to challenge, which means protecting our reputation is important. It is one of our biggest assets and we will not tolerate unsolicited comments or behaviours that could be detrimental to our mission or adversely affect our reputation. To that end, we place significant corporate and regulatory effort on maintaining high levels of engagement with those we regulate, seeking regular feedback and providing assurance that we are effective, with a suitably qualified and experienced workforce, to make evidence-based regulatory decisions.
- 7.11 Our approach therefore to reputational risk is *cautious* given the significant attention we give activities across all our functions to ensure we maintain (and improve where necessary) our positive reputation in the public domain.

## People

- 7.12 Having a well-resourced, diverse, motivated and highly competent workforce is key to achieving our strategic vision. As a public body, we are accountable to society and must demonstrate the highest standards of behaviour, integrity and values in how we discharge our duties.
- 7.13 To compete in an increasingly challenging and competitive global labour market for the scarce skills we need, we must ensure that we are open to how we recruit and develop our staff to access the skills and expertise that we need. This will include being willing to be innovative and challenging in how we create opportunities for development of leadership and management skills and how we build the resilience across ONR.
- 7.14 We will maintain a *cautious* approach to how we recognise and reward our staff, given the need to have due regard to **Managing Public Money** and related guidance on public sector pay policy, as well as the need to ensure appropriate costs of regulation.



## Information and cyber security

- 7.15 We have reviewed the way in which we qualify and quantify our cyber security risk based on information classification and negative event types to enable us to prioritise security investment with clarity and confidence. We have developed granular security risk appetites which take account of the classification of the asset and the consequences of the negative action on that asset, with appropriate mitigations identified accordingly.
- 7.16 This presents a range of appetites within information and cyber security from averse to open with the majority at the cautious and minimalist level. Due to the ever present and inherent threat of loss of information, whether through unintentional or malicious internal and external factors, our aggregate appetite to risk in our information and cyber security related activities is therefore *minimalist*.

## Information governance

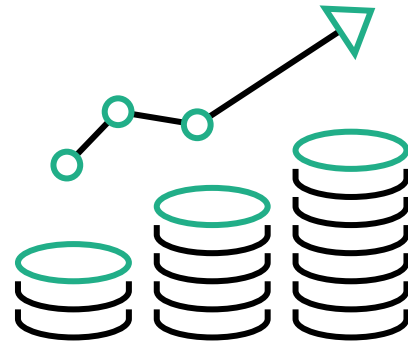
- 7.17 In our information governance, we are keen to minimise disruption to our day-to-day business when introducing activities and controls that strengthen our compliance and therefore have a *minimalist* appetite for such risks.



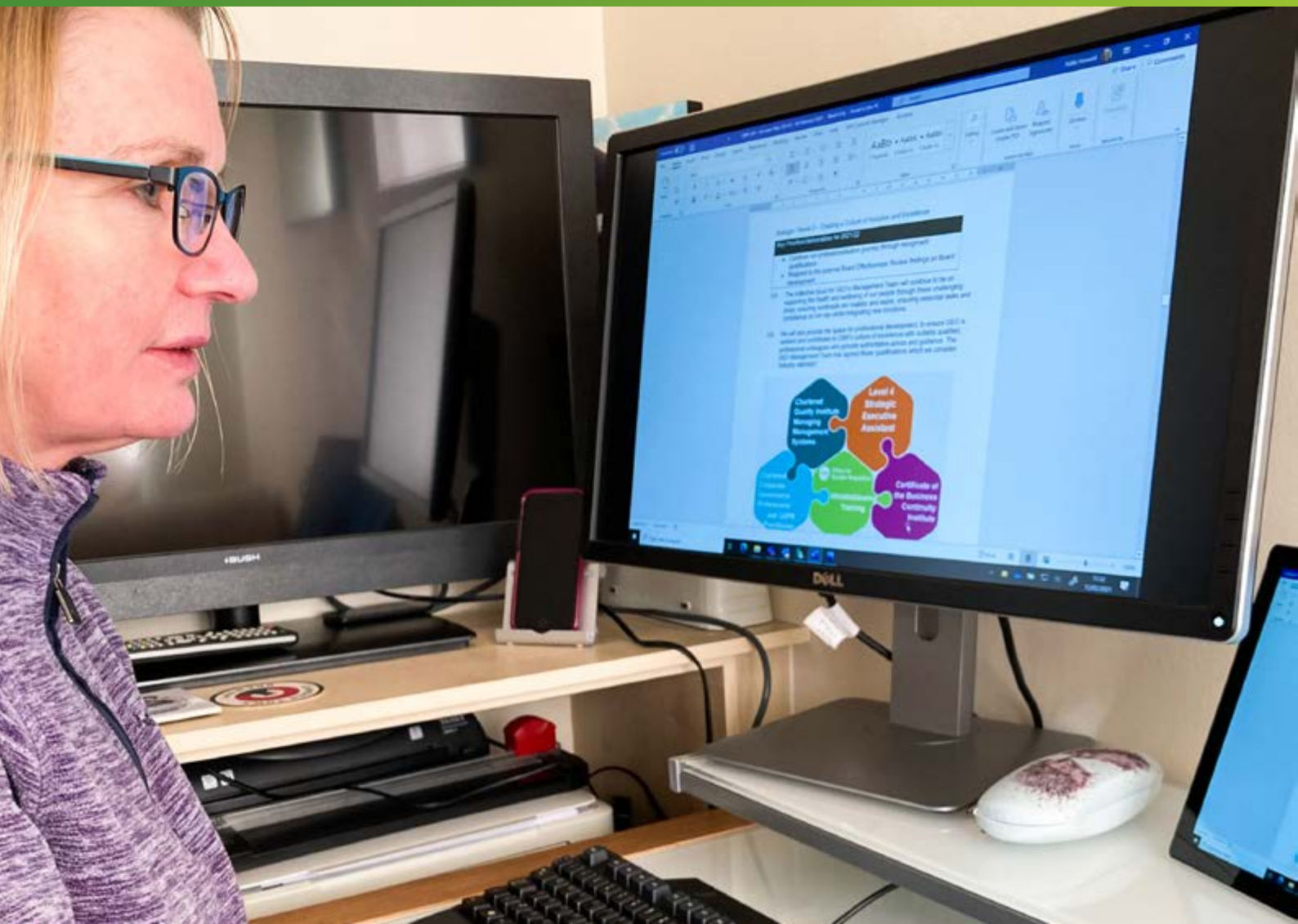
**Financial**

7.18 We have established a robust budget-setting process that secures the funding required to support the efficient and effective delivery of our planned regulatory activity. All financial decisions will be taken to optimise value for money in the use of public funds, ensure appropriate compliance and eliminate the risk of loss to secure its long-term financial viability. Therefore, we have a *minimalist* appetite in respect of financial governance, management and control and will only consider exceeding these constraints if a financial response is required to mitigate risks associated with nuclear safety and security.

7.19 As a regulator, we aspire to be an exemplar in our compliance and legal standing. We are averse to the risks of internal fraud and fraudulent behaviour and will maintain appropriately robust controls and sanctions to maximise prevention, detection and deterrence of this type of behaviour.



# 8 Governance



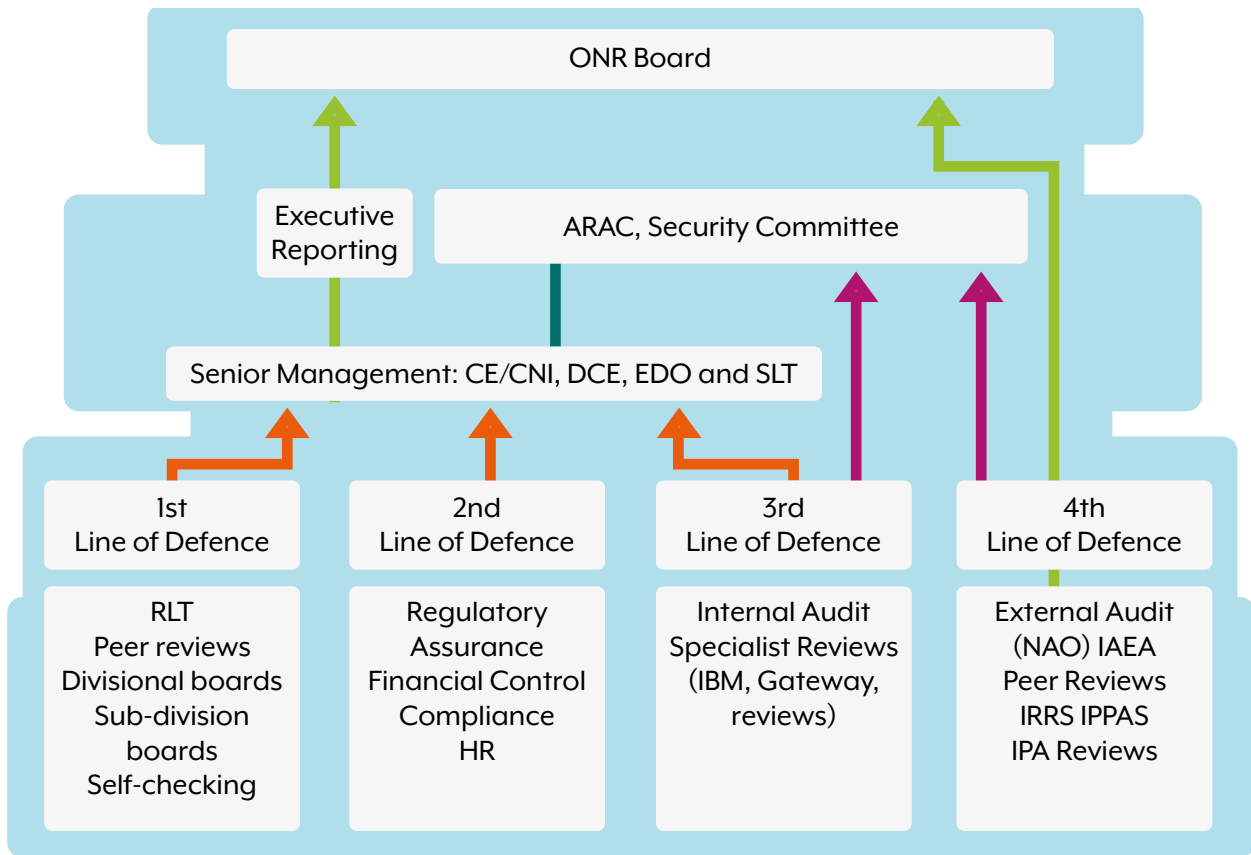
- 8.1 Our Board ensures effective arrangements in place for assurance, risk management and internal control. The Board composition is prescribed in the Energy Act 2013, and all Board members must act in the best interests of ONR and in accordance with the Seven Principles of Public Life. The **Framework Document** between ONR and DWP, as our sponsoring department, clarifies roles and responsibilities.
- 8.2 The Board receives robust and consistent assurance across all our purposes and activities. It is supported by three committees: the Audit and Risk Assurance Committee (ARAC), Security Committee, and the Remuneration and Nominations Committee.
- 8.3 We were pleased with the outcome of an independent governance effectiveness review, conducted during Autumn 2020, which concluded that the operations of our Board and committees is effective with significant elements of good practice identified. To further mature our arrangements, this year we will focus on improving the integration of strategic risk oversight between ARAC and the Board, continue to increase visibility of Board activities with staff and stakeholders, and build on the collaborative working relationship between the Board, executive and senior leadership team.

## Integrated Audit and Assurance Framework

- 8.4 Our Integrated Audit and Assurance Framework provides a single integrated framework for managing our audit and assurance activity, introducing standard reporting and control disciplines aligned with the Treasury's Three Lines of Defence model. We will continue to apply this model, to which we have added a fourth line of defence to demonstrate additional assurance derived over and above via external sources, such as the National Audit Office and international peer review. It is summarised in figure three below.
- 8.5 We routinely report the outcome of audit and assurance activities, which are undertaken independently of our operations to ensure they remain objective, to our Board, its committees, as well as our CE/CNI and Senior Leadership Team. Those activities include working collaboratively with the Government Internal Audit Agency. This year we will work with them to drive increased value for money from their input, through focused reviews, timely delivery and securing quality through early intelligent customer engagement. In parallel, we will be tendering for our internal audit services to ensure we continue to secure best value.



Figure three – ONR Integrated Audit and Assurance Framework





# 9 Conclusion





- 9.1 By March 2022, we will have continued to protect society by delivering our mission, vision and core regulatory purposes, and made good progress in delivering our Strategy 2020-25 outcomes, which are set out below and will be measured through our OEI framework.





**To our licensees and dutyholders, we will:**

- be open to innovation in both how and what we regulate
- systematically seek and use inspection and intervention feedback to improve our impact
- provide greater clarity about the costs of our regulatory decisions
- seek more learning from UK and international organisations to improve the outcomes we influence and ensure no unnecessary regulatory burden
- act as an enabling regulator consistently across industry
- be more efficient and effective

**To our people, we will:**

- display a culture that reflects our values
- provide enhanced leadership and management capabilities
- work consistently across disciplines
- develop a model of feedback and response
- achieve the benefits of change

**To the public, ministers and government, we will:**

- continue to hold the nuclear industry to account, including taking robust enforcement action where appropriate
- proactively publish clear, accessible information and engage openly and constructively
- inform government on nuclear policy
- enhance our use of academic research to inform our regulation

# 10 Appendices





## Appendix A – Corporate Milestones 2021/22

	Quarter 1				Quarter 2			
	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21		
Influencing proportionate improvements			<ul style="list-style-type: none"> <li>Make decision – Permission Sizewell B start-up following statutory outage</li> </ul>		<ul style="list-style-type: none"> <li>Assess and if appropriate, permission active commissioning of the Encapsulated Product Store Waste Transfer Route</li> <li>Make decision – Permission Heysham 2, Reactor 7 start-up following statutory outage</li> </ul>			
Inspiring stakeholder confidence		<ul style="list-style-type: none"> <li>Hold NGO Forum</li> </ul>	<ul style="list-style-type: none"> <li>Lay and publish Corporate Plan 2021/22</li> </ul>	<ul style="list-style-type: none"> <li>Lay and publish Annual Report and Accounts 2020/21</li> </ul>				
Creating a culture of inclusion and excellence		<ul style="list-style-type: none"> <li>Commence reverse mentoring programme</li> </ul>						<ul style="list-style-type: none"> <li>Review and update Health and Wellbeing Policy Statement</li> </ul>
Modernising how we work			<ul style="list-style-type: none"> <li>Finalise new Corporate Security Strategy</li> </ul>					<ul style="list-style-type: none"> <li>Introduce updated information classification policy and processes</li> </ul>

Quarter 3		Quarter 4			
Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
<ul style="list-style-type: none"> <li>Complete assessment of all required SyAPs-aligned Security Plans</li> </ul>	<ul style="list-style-type: none"> <li>Commence annual review of Safeguards implementation in the UK</li> </ul>	<ul style="list-style-type: none"> <li>Assess and if appropriate, permission the commencement of active commissioning and early retrievals from the Magnox Swarf Storage Silo</li> </ul>	<ul style="list-style-type: none"> <li>Issue statement on General Nuclear Systems Limited's readiness to receive a Design Acceptance Confirmation for UKHPR1000 GDA</li> </ul>		
<ul style="list-style-type: none"> <li>Publish Chief Nuclear Inspector's Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Hold NGO Forum</li> </ul>		<ul style="list-style-type: none"> <li>Conduct Annual Stakeholder Survey</li> </ul>		<ul style="list-style-type: none"> <li>Hold NGO Forum</li> </ul>
<ul style="list-style-type: none"> <li>Complete organisational stress risk assessment</li> </ul>	<ul style="list-style-type: none"> <li>Commence National Equality Standard re-accreditation</li> </ul>		<ul style="list-style-type: none"> <li>Deliver the first Annual Safeguards Ministerial Report as required under NSR19.</li> </ul>		<ul style="list-style-type: none"> <li>Publish Framework for Openness and Transparency</li> </ul>
<ul style="list-style-type: none"> <li>Launch Staff Survey</li> </ul>	<ul style="list-style-type: none"> <li>Publish Gender Pay Gap Report</li> </ul>				<ul style="list-style-type: none"> <li>Launch new talent management process</li> </ul>
<ul style="list-style-type: none"> <li>Finalise Estates Strategy for 2021-2025</li> </ul>		<ul style="list-style-type: none"> <li>Refresh IT Strategy</li> </ul>			
<ul style="list-style-type: none"> <li>Commence roll out of core regulatory processes on WIREd platform</li> </ul>					

## Appendix B – Regulatory Planning Assumptions 2021/22

<b>1</b>	There are no nuclear events within the UK or overseas which undermine or result in a significant change to ONR's planned work programmes.
<b>2</b>	Government policy in support of UK civil nuclear power remains positive.
<b>3</b>	Programmes to construct and commission new power reactors (currently only the EPR at Hinkley Point C) proceed at declared rates and no significant safety, security or safeguards concerns emerge.
<b>4</b>	The Generic Design Assessment for HPR1000 continues as planned through Step Four.
<b>5</b>	The end-of-life plan for the existing Advanced Gas-Cooled Reactor fleet will continue to be refined by EDF as the reactors approach end of life, and our resourcing plans allow for this.
<b>6</b>	No new life-limiting factors emerge in the UK's fleet of AGRs and the single PWR at Sizewell that affect the resources that ONR deploys to this area.
<b>7</b>	ONR operates a domestic nuclear safeguards regulatory regime that meets UK international obligations, maintains effective control and accountancy of civil nuclear material, and enables the deployment of new nuclear technologies and longer-term development of the UK nuclear fuel cycle.
<b>8</b>	Government establishes a sustainable future funding arrangement to allow ONR to operate the safeguards regime as intended from April 2022.
<b>9</b>	There is a standalone UK-Euratom Nuclear Cooperation Agreement (NCA) in place, allowing for continued civil nuclear cooperation with Euratom.
<b>10</b>	Government's policy, programme and contracting model for the current nuclear submarine fleet, 'laid up' submarines, the new build Dreadnought class and the associated strategic weapon capabilities remain unchanged for the next two years.
<b>11</b>	The regulatory framework and division of responsibilities between ONR and DNSR for the regulation of the defence sector remains unchanged.
<b>12</b>	The level of ONR's support to Phase 2 of the government's Advanced Nuclear Technologies (ANT) work programmes remains as scoped, with some work deferred from 2020/21 due to COVID-19. Further Phases and associated work programmes will be agreed with BEIS, subject to funding availability. There will be no more than two SMR GDA assessments ongoing by March 2022.
<b>13</b>	There are no significant security or geopolitical events resulting in changes to national security policy that would require revalidation of, or enhancements to, civil nuclear security regulatory arrangements currently in place.
<b>14</b>	There will be no change to the scope of ONR's vires to regulate security and we will continue to support the government on the Convention on the Physical Protection of Nuclear Material and its Amendment.

<b>15</b>	The Magnox fuel reprocessing capability will continue to operate safely to NDA's declared timelines, ensuring that the agreed volume of Magnox spent fuel is reprocessed.
<b>16</b>	Pending conclusion of Magnox reprocessing at Sellafield, the licensee's attention will be focused on major organisational change to bring enhanced focus on hazard remediation and decommissioning.
<b>17</b>	Progress with the hazard and risk reduction programmes at Sellafield will continue, support and funding to deliver them will remain a government priority which includes enabling the NDA to secure the necessary investments to deliver these major projects.
<b>18</b>	Magnox and other fuel/decommissioning work continues in accordance with NDA declared programmes.
<b>19</b>	ONR's work to support UK policy development for Plutonium inventory will continue to explore options.
<b>20</b>	UK Government remains committed to a Geological Disposal Facility and the process for identifying a suitable location is currently underway.
<b>21</b>	ONR can continue to be able to recruit or deploy (including through our Technical Support Contracts) niche skills, in areas such as Cyber Security and Supply Chain, to meet regulatory demand.
<b>22</b>	ONR's work to support the UK's international commitments (for example IAEA standards, conventions, missions and international event reporting) remains in line with our Strategic Framework for International Engagement.
<b>23</b>	ONR will continue to provide enough resources to regulate REPPiR 19 and support dutyholders with the legislation.
<b>24</b>	The industry's response to the Nuclear Sector Deal (NSD) continues to evolve, but there will be no new significant requests of ONR, beyond planned activities to provide regulatory input to workstreams on innovation, new build, decommissioning and sector skills, the NSD Programme Board and the Nuclear Industry Council.
<b>25</b>	ONR's work to support BEIS's fusion policy continues at agreed levels and there will be no change to our vires in this regard within the next 12 months.
<b>26</b>	ONR will provide ongoing technical and regulatory policy advice as the government's proposal for a Regulated Asset Base Model for nuclear develops, ensuring that safety and security remain paramount, but there will be no change to our vires or regulatory programme in the next 12 months.
<b>27</b>	ONR will work alongside government to inform an effective Post Implementation Review of Part 3 of the Energy Act 2013, as required in law.
<b>28</b>	ONR will advise government in its policy development on planning and regulation for new nuclear.











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