

## **Nuclear Decommissioning Authority (NDA) Management Statement**

**This draft Management Statement is published alongside the draft Bill that sets out provisions to establish the Nuclear Decommissioning Authority (NDA). The purpose of publishing this document in draft is so that stakeholders and interested members of the public can better understand how the department will exercise its responsibility to oversee the operation and performance of the NDA, and similarly, the responsibilities of the NDA to the department.**

**Management Statements are a requirement of all non-departmental public bodies. Their purpose is to codify the relationship between the body and its host Government department – in this case the NDA and the Department of Trade and Industry. Many of the provisions are standard but, there are some key additions and differences tailored to suit the NDA's purposes. In particular, this draft includes a detailed description of the planning process – including revisions to plans – and has a section dedicated to openness, transparency and engagement.**

**Whilst the Management Statement is an internal agreement, the Government is publishing it alongside the draft Bill in line with its commitment to openness, transparency and active engagement with stakeholders.**

**Given that this document is being published before the NDA is established in statute, the Management Statement should be considered as a draft that will change over the coming months and will not be finalised until the NDA comes into being. In particular, since the NDA will have functions which relate to both reserved and devolved matters (and will be similar to cross border authorities designated under the terms of the Scotland Act 1998), amendments will be made to the draft Bill - and to the Management Statement as appropriate – to reflect this and the responsibilities which the Scottish Ministers will have in relation to the operation of the NDA. Amendments will also be made, where appropriate, to ensure accountability to the Scottish Parliament as well as to Westminster.**

**Comments from stakeholders are welcome (there is no deadline) and we have highlighted some specific areas where your views would be particularly appreciated. All comments should be addressed to:**

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# 1 INTRODUCTION

## 1.1 This document<sup>1</sup>

1.1.1 This Management Statement sets out the terms of the relationship between the Nuclear Decommissioning Authority (hereafter the NDA) and the Department of Trade and Industry – as the UK Government department with overall responsibility for the NDA - and lays down the broad framework within which the NDA will:

- exercise its functions, duties and powers;
- manage the assets for which it is responsible and public funds paid to it in order to carry out its duties and responsibilities;
- be held to account for its performance.

1.1.2 *A financial memorandum* will be produced, and published, in due course which sets out in detail certain aspects of the financial requirements that the NDA must observe.

1.1.3 The NDA, or the Secretary of State, may propose amendments to this document at any time and it shall be reviewed at least every five years. Any changes shall be agreed by both the Secretary of State and the NDA and, where appropriate, cleared with the Treasury.

1.1.4 Any question regarding the interpretation of the document shall be resolved by the DTI after consultation with the NDA and, as necessary, with the Treasury and/or the Cabinet Office.

1.1.5 The management statement is not a legally binding document. It is a formal agreement between DTI and the NDA which operates within the statutory framework laid down by the draft Bill.

1.1.6 Copies of this document and any subsequent substantive amendments will be placed in the Libraries of both Houses of Parliament and will be published on the NDA's website.

1.1.7 This document should be read alongside the following:

- The draft Nuclear Sites and Radioactive Substances Bill;
- The Memorandum of Understanding with regulators, which sets out the NDA's operating relationship with each of the regulators;

*and once developed;*

- *NDA Framework for Stakeholder Engagement and Transparency; and*
- *Audit Committee Terms of Reference.*

## 1.2 Founding legislation

1.2.1 The NDA is established under the *Nuclear Sites and Radioactive Substances Act* which sets out its constitution and defines its statutory functions, duties and powers.

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<sup>1</sup> Italics indicate documents/ work yet to be published or completed

### **1.3 Classification**

1.3.1 The NDA is classified as an executive non-departmental public body. For national accounts purposes the NDA is classified to the central government sector.

### **1.4 The Functions and Duties of the NDA**

1.4.1 The draft Bill sets out the functions, duties and powers of the NDA.

### **1.5 Compliance with Guidance and Instructions**

1.5.1 The NDA shall comply with instructions set out in the documents listed below and also have regard to any published policy statements on Non-Department Public Bodies issued from time to time. *A full list will be set out in the financial memorandum when produced but will include the following;*

- *The Accounts Direction;*
- *Government Accounting;*
- *Non-Departmental Public Bodies – a Guide for Departments;*
- *The Government Internal Audit Standards;*
- *Executive NDPBs – Annual Reports and Accounts Guidance;*
- *Relevant Dear Accounting Officer (DAO) letters; and*
- *The Green Book (Appraisal and Evaluation in Central Government).*

## **2 PERFORMANCE MEASUREMENT**

### **2.1 Objectives and key targets**

2.1.1 The NDA shall have a range of objectives set out in its strategy and agreed with the Secretary of State.

2.1.2 The NDA shall also have a range of annual targets set out in its annual plan and agreed with the Secretary of State.

2.1.3 These objectives and targets shall be consistent with its functions and duties and will form the basis for the measurement and monitoring of the NDA's performance by the Secretary of State.

2.1.4 ***Specific objectives are likely to be set in the areas listed below. However, we would particularly welcome the comments of stakeholders on these and any other ideas for performance measurement ;***

- (i) *elimination or reduction of dangers from ionizing radiation;*
- (ii) *progress towards delivery of agreed site clean up plans;*
- (iii) *safety and security;*
- (iv) *delivering value for money; and*
- (v) *openness, transparency and public confidence.*

2.1.5 *Annual targets may include specific targets in the following areas – **again we would welcome the comments and ideas of stakeholders;***

- (a) safety, security and environmental performance;*
- (b) progress towards site end points;*
- (c) financial performance;*
- (d) reducing uncertainty in liabilities estimates;*
- (e) openness and transparency;*
- (f) success in stakeholder engagement;*
- (g) progress made in building supply chain capability;*
- (h) performance of contractors;*
- (i) development and maintenance of skills base;*
- (j) maintenance of fit for purpose site licensee companies; and*
- (k) corporate social responsibilities including support for local communities.*

2.1.6 Performance against targets will be monitored in year by the DTI team responsible for the department's interface with the NDA ('the DTI team') and will be reported in the NDA's annual reports and accounts.

### **3. RESPONSIBILITIES AND ACCOUNTABILITY**

#### **3.1 The Secretary of State**

3.1.1 The Secretary of State for Trade and Industry is accountable to Parliament for the activities and performance of the NDA. Her responsibilities in this regard include:

- setting the performance framework within which the NDA will operate including setting the pay and incentive structure for the Chairman and other non-executive Members;
- approval of the NDA's strategy and annual work plan;
- determining the basis on which the NDA will have access to the Nuclear Decommissioning Funding Account in order to discharge its annual plans;
- maintaining the NDFA and establishing policy for its on-going operation in accordance with the terms of the draft Bill;

- providing information to Parliament about the NDA as required, and seeking Parliamentary approval for expenditure;
- carrying out her other statutory responsibilities including appointing the Chairman of the NDA and other Members; and
- laying the NDA's annual report and accounts before Parliament.

### **3.2 The Departmental Accounting Officer**

3.2.1 The Permanent Secretary of the DTI, as the Department's Accounting Officer, is responsible for the overall organisation, management and staffing of the Department, and for ensuring that there is a high standard of financial management in the Department as a whole. In addition he:

- designates the Chief Executive of the NDA – or any other executive member of staff - as the NDA Accounting Officer and ensuring that the appointee is suitably trained and fully aware of his responsibilities;
- is responsible for ensuring that an appropriate framework for the operation of the Nuclear Decommissioning Funding Account is in place;
- is responsible for ensuring that the financial and other management controls applied by the department to the NDA are appropriate and sufficient to safeguard public funds and for ensuring that the NDA's compliance with those controls is effectively monitored ("public funds" include not only any funds granted to the NDA by Parliament but also any other funds generated by approved activities or falling within the stewardship of the NDA);
- must be satisfied that the internal controls applied by the NDA, and any controls applied to any subsidiaries it may establish, conform to the requirements of regularity, propriety and good financial management; and that an adequate flow of information is supplied by the NDA to the Department on matters of performance, budgeting, control and risk management;
- is accountable to Parliament for any grant-in-aid paid to the NDA and for ensuring for that monies issued to the NDA are used for the purposes intended by Parliament ;
- may withdraw accounting officer designation from the NDA's Accounting Officer if he believes that the he/she is no longer suitable for the role; and
- may be required to give evidence to the Public Accounts Committee on the systems of financial and management control applied to the NDA.

3.2.2 The responsibilities of a departmental Accounting Officer are set out in more detail in the annex to Chapter 4 of Government Accounting.

### **3.3 The Chairman of the NDA**

3.3.1 The Chairman is appointed by the Secretary of State in line with the Code of Practice issued by the Office of the Commissioner for Public Appointments. The appointment is for a fixed term with a possibility of extension subject to review of performance.

3.3.2 The Chairman is accountable to the Secretary of State for the NDA's activities and performance in implementing its strategy and annual work plans.

3.3.3 The Chairman has a particular responsibility for providing effective leadership on the following matters:

- formulating the Board's strategy for discharging its statutory functions and duties;
- ensuring high standards of propriety, regularity and promoting the efficient and effective use of staff and other resources throughout the NDA;
- ensuring that the NDA's affairs are conducted openly, transparently and with probity;
- that in reaching decisions the Board:
  - the Board takes proper account of inputs from stakeholders; and
  - has due regard to relevant Government policy, guidance and instructions;
- representing the NDA to the general public;
- reviewing the balance of skills and experience on the Board against the changing emphasis of the NDA's work in discharging its statutory duties and as necessary, recommending changes to the Secretary of State; and
- providing an assessment of the performance of individual Board members.

3.3.4 The Chairman shall ensure that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties and responsibilities and, when Board vacancies arise, shall advise the Secretary of State on appointments.

3.3.5 The Chairman shall also ensure that a Code of Practice for Board Members is in place based on the model Code of Practice for Board Members of Public Bodies produced by the Cabinet Office. The Code shall commit the Chairman and other Board Members to the Nolan seven principles of public life, and shall include a requirement for a comprehensive and publicly available register of Board Members' interests.

3.3.6 Communications between the Board and the Secretary of State shall normally be through the Chairman.

### **3.4 The NDA Board**

3.4.1 The Board is comprised of executive members and non-executive members (including the Chairman), with the latter forming a majority. The role of the non-executive members is to challenge the executive management to deliver; to ensure that

the executive team is focused and incentivised to produce positive results; and generally to hold it to account for its performance.

- 3.4.2 The Board – operating through the Chairman -are collectively accountable to the Secretary of State for all aspects of the NDA’s activities and performance. It follows that in response to requests from Parliamentary Select Committees, the NDA Chairman would be expected to take the lead but that any Board member could be required to appear and give evidence.
- 3.4.3 The Chief Executive is responsible for the day to day operations and management of the NDA and the performance of the executive management team. He/ she is accountable to the Board. He/She may adapt the organizational and management structure of the NDA to meet its business needs, subject to his/her agreed delegated powers.
- 3.4.4 Board members have collective responsibility for ensuring that the NDA complies with any statutory or administrative requirements for the use of public funds and shall demonstrate high standards of corporate governance at all times, including by using the independent audit committee to help them address the key financial and other risks.

### **3.5 The Accounting Officer**

- 3.5.1 The NDA’s Accounting Officer is personally and directly responsible for safeguarding the public funds for which he/she has charge and for ensuring propriety and regularity in the handling of those public funds. He/she shall act in accordance with the terms of this document and with the instructions and guidance in Government Accounting and other instructions and guidance issued from time to time by the Department, the Treasury and the Cabinet Office - in particular, DAO letters and the Treasury documents The Responsibilities of an NDPB Accounting Officer and Regularity and Propriety, both of which the Accounting Officer shall receive on appointment.
- 3.5.2 In particular, the AO must:
- ensure that all public funding made available to the NDA and any sums it receives as a result of its activities are used for the purpose intended by Parliament, and that such monies, together with the NDA’s assets, equipment and staff, are used economically, efficiently and effectively;
  - ensure that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that decisions are taken on the basis of appropriate financial appraisal;
  - ensure that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
  - ensure that effective systems of corporate governance are in place including adequate systems for internal and financial control and effective measures against fraud and theft;

- with the approval of the Board maintain a comprehensive system of internal delegated authorities which are notified to all staff, together with a system for regularly reviewing compliance with these delegations;
- ensure that appropriate personnel management policies are maintained;
- prepare annual accounts including a statement of internal control;
- on the advice of the Audit Committee, sign the NDA's annual report and accounts;
- take action as set out in paragraphs 14-18 of the NDPB Accounting Officer Memorandum if the Board, or Chairman, is contemplating a course of action involving a transaction which the Accounting Officer considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration or efficiency or effectiveness;
- ensure that management information systems are in place and that any information required or requested by the Department is provided on a timely basis;
- give evidence – supported as necessary by other Board members - on the use and stewardship of public funds by the NDA when summoned before the Public Accounts Committee;

### **3.6 Delegation of duties**

- 3.6.1 The Chief Executive and the Accounting Officer (who are typically one and the same) may delegate the day-to-day administration of his/her responsibilities to other employees in the NDA. However, he/she shall not assign absolutely to any other person any of the responsibilities set out in this document.

### **3.7 The Chief Executive's role as Principal Officer for Ombudsman cases**

- 3.7.1 The Chief Executive is the Principal Officer for handling cases involving the Parliamentary Commissioner for Administration. As Principal Officer he/she shall inform the Permanent Secretary of the DTI of any complaints about the NDA accepted by the Ombudsman for investigation, and about the NDA's proposed response to any subsequent recommendations from the Parliamentary Ombudsman.

### **3.8 The DTI team**

- 3.8.1 Within DTI a dedicated team shall be responsible for liaising with the NDA on all aspects of its work and more generally be the main point of day to day contact between Government and the NDA. The Team is the primary source of advice to the Secretary of State on the discharge of her responsibilities in respect of the NDA..

- 3.8.2 Specific responsibilities for the DTI team include:

- ensuring the responsibilities and duties of the Departmental Accounting Officer are discharged;

- advising the Secretary of State, at a strategic level, on how well the NDA is achieving its current objectives and whether it is delivering value for money;
- advising the Secretary of State on an appropriate budget for the NDA and on appropriate performance targets for the NDA;
- ensuring that effective processes, including risk management, are in place and are used by the NDA in producing its strategy and annual work plans;
- monitoring and reporting the NDA's performance against targets and against its total financial provision;
- communicating relevant Government policy to the NDA and advising on the interpretation of that policy;
- issuing specific guidance to the NDA as necessary and generally ensuring that it is aware of any views or concerns which Ministers might have.

### **3.9 Devolved Administrations**

3.9.1 The Scottish Executive: *To be added as appropriate.*

3.9.2 Ministers shall inform the Cabinet of the National Assembly for Wales of any significant changes to the NDA's priorities and objectives, in particular on those changes that are relevant to Wales.

### **3.10 Regional Development Agencies**

3.10.1 In carrying out its function to support local communities and contribute to the socio economic regeneration of areas in which it has designated sites or installations, the NDA will normally act through the RDAs as the Government's main agents for economic regeneration in the regions.

3.10.2 The RDA Board is accountable to the Secretary of State for the regeneration programmes it administers.

## **4. PLANNING, BUDGETING AND CONTROL**

### **4.1 The NDA Strategy**

4.1.1 The NDA Board shall prepare a strategy for carrying out its statutory functions and duties in accordance with the terms of the draft Bill and any additional guidance which might be issued from time to time by the Secretary of State and submit it to the Secretary of State for approval.

4.1.2 The strategy should be submitted for approval at least six months before the start of the first financial year in which the NDA wishes it to apply (ie 30 September on the assumption that the strategy will start to apply from the following April). Final decisions will be taken within 4 months of it being submitted and no later than 1<sup>st</sup> February in order to allow the NDA sufficient time to issue strategic guidance to site licensees by end February, to enable them to commence their planning processes in

good time. The same timescales will apply where, in accordance with the terms of the draft Bill, the NDA seeks approval for changes to its current strategy or its continuation for a further period.

- 4.1.3 The approved strategy forms the agreed basis for the NDA's detailed planning, and provides a framework for monitoring progress against longer-term objectives and targets.

## **4.2 The annual work plan**

- 4.2.1 The NDA shall prepare an overall annual work plan in accordance with the terms of the Act and submit it for approval by the Secretary of State at least three months before the start of the financial year in which it is to apply. A Final decision on the approved work plan for the year in question will be taken within 2 months of the NDA's submission and in any case no later than 1<sup>st</sup> March.
- 4.2.2 The annual work plan will set out the basis on which the NDA intends to implement its strategy during the year in question and provide the basis for assessing performance against budgetary and other performance measures.

## **4.3 Approval Process**

- 4.3.1 The NDA will take the lead in arranging a meeting with the DTI Team to discuss its draft strategy and/or annual work plan prior to it being submitted to the NDA Board for adoption. The meeting will be open to representatives of other UK Government departments, the devolved administrations and the nuclear regulators – i.e. HSE, EA, SEPA and OCNS.
- 4.3.2 The NDA will take account of comments made in finalising the strategy/annual work plan for consideration by the Board.
- 4.3.3 Once it has been adopted by the Board, the NDA will submit its strategy/annual work plan to the Secretary of State via the DTI Team, copying it at the same time to the regulators and those departments which wish to be consulted.
- 4.3.4 The DTI Team will be responsible for advising the Secretary of State on the contents of the strategy/annual work plan taking account of comments received from other departments and the regulators. The DTI Team should highlight any contrary views presented to the NDA by the regulators or by any other of the statutory consultees. If other departments and/or the regulators wish to do so, it will also be open to them to make representations direct to the Secretary of State.
- 4.3.5 The Secretary of State will discuss the strategy/annual work plan with the Board of the NDA before deciding whether to approve it. Other UK Government Ministers, Ministers for the devolved administrations and the nuclear regulators will have the opportunity to attend the meeting if they wish to do so.
- 4.3.6 The Secretary of State may amend the strategy/annual work plan in the light of the meeting. The NDA must be consulted about any such change before it is made and before the strategy/annual work plan as amended is approved by the Secretary of State and, in turn, will notify, and seek the views of, the nuclear regulators. It shall be the duty of the NDA to implement the strategy/annual work plan once it has been approved by the Secretary of State.

#### **4.4 Budgetary approval**

- 4.4.1 The NDA's budgets are formally approved by the Department following the submission and approval of the annual work plan.
- 4.4.2 The NDA's budgeting procedures are set out in the financial memorandum.

#### **4.5 Performance monitoring and progress reports**

- 4.5.1 The NDA shall operate management information and accounting systems which enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in its agreed strategy and annual plans.
- 4.5.2 The NDA will hold regular meetings with the DTI Team in DTI to review progress against its strategy, annual work plans and performance measures. The information provided at such meetings will be made available to other Government departments, the devolved administrations and the nuclear regulators. Other departments, the devolved administration and the nuclear regulators will also have the opportunity to be represented at such meetings.
- 4.5.3 The Secretary of State will meet the Board formally each year to discuss the NDA's performance, its current and future activities and any policy developments relevant to those activities.
- 4.5.4 The NDA shall take the initiative in informing the Department of changes in circumstances which make the achievement of its objectives more or less difficult, or which may require a change to the budget or objectives set out in the strategy and annual plans.
- 4.5.5 The NDA's performance against prescribed targets shall be reported in the NDA's annual report and accounts .
- 4.5.6 The NDA shall develop a system of regular in year progress reporting to its stakeholders and to the wider public reflecting the commitment to openness and transparency in the provision of information about its activities.

#### **4.6 Internal audit and governance**

- 4.6.1 The NDA shall establish and maintain arrangements for internal audit in accordance with the Government Internal Audit Standards (GIAS).
- 4.6.2 The NDA shall set up an audit committee consisting exclusively of independent non-executive directors as a committee of its Board in accordance with the Cabinet Office's Guidance on Code of Practice for Public Bodies and the Treasury's Audit Committee guidance. The Audit Committee's role is to provide independent and objective advice to the Accounting Officer on risk management, control and governance and its terms of reference are set out in a separate document.

4.6.4 The Department's Internal Audit Service has a right of access to all documents prepared by the NDA's internal auditor, including where the service is contracted out.

4.6.5 The NDA shall set up a remuneration committee consisting exclusively of independent non-executive directors of its Board with the responsibilities for considering the performance and remuneration of the Chief Executive and the Executive Directors.

#### **4.7 Departmental access to the NDA**

4.7.1 The Department shall have a right of access to all the NDA's records and personnel for purposes such as audits and performance reviews.

### **5. OPENNESS, TRANSPARENCY AND ENGAGEMENT WITH STAKEHOLDERS**

5.1.1 Openness, transparency and engagement with stakeholders are founding principles of the NDA. A Framework for Stakeholder Engagement and Transparency shall be published that sets out how the NDA intends to embed these principles into its day to day operations and (*once produced*) should be read alongside the following paragraphs.

5.1.2 Stakeholders should be involved in the development of the NDA's strategy and its annual plans so that, in reaching its decisions:

- the NDA is exposed to, and takes account of a diverse range of views; and
- the rationale for major decisions and the process by which these are reached is clear to stakeholders and to the wider public.

5.1.3 The NDA shall ensure that adequate processes are in place to engage with stakeholders and that these processes reflect the scale and nature of the task and have been determined with stakeholders (*i.e. as per the Framework*). [In all cases engagement should be:

- based on best practice;
- suited – and, where necessary, specifically tailored - to both the issue or topic and to the participating stakeholder groups; and
- integrated into the planning cycle.]

*Note: The current working assumption is that the level and scope of engagement on the NDA's strategy (which sets the long term direction and priorities) should be greater than the annual plan since this follows on from the strategy, setting out how it will be delivered in the immediate term. The annual plan is also – to a large extent - an amalgamation of site level plans that will have been subject to stakeholder input during their development. The form and nature of consultation on the strategy and annual plans is, however, one of the issues on which we would particularly welcome views from stakeholders.*

5.1.4 The NDA shall be a champion of public information and shall make available all information subject to any agreed commercial, security or privacy considerations as set out in the stakeholder engagement and transparency framework.

- 5.1.5 A process for appeals to the withholding of information by the NDA – or its contractors – shall be established.
- 5.1.6 The stakeholder engagement framework shall set out the topics and areas of the NDA’s operations on which information will actively be made available through the most appropriate channels. This shall include:
- strategy and annual plans;
  - progress reports;
  - Board minutes and papers;
  - information on engagement activities and stakeholder representations;
  - the process by which key decisions are to be made;
  - annual reports and accounts; and
  - standard contract terms.

## **6 EXTERNAL ACCOUNTABILITY**

### **6.1 The annual report and accounts**

- 6.1.1 As soon as reasonably practicable after the end of each financial year the NDA shall prepare an annual report on its activities together with its audited annual accounts. The report shall also cover the activities of any corporate bodies under the control of the NDA. A draft of the report shall be submitted to the DTI Team at least three weeks before the proposed publication date.
- 6.1.2 The report must cover all the matters specified in the draft Bill and deal separately with activities relating to the decommissioning installations and the cleaning up of sites and the NDA’s other activities. The information on other activities must include information, whilst they remain operational, on the rationale for the continued operation of Magnox stations, THORP and SMP. Consistent with security requirements and necessary commercial confidentiality, information on progress with the return of materials and wastes arising from the reprocessing of fuel under contracts with overseas customers should also be provided. The accounts shall be prepared in accordance with the Accounts Direction issued specified by the Department.
- 6.1.3 The report and accounts shall comply with the Treasury document - Executive Non-Departmental Public Bodies: Annual Reports and Accounts Guidance.
- 6.1.4 The Secretary of State shall lay the NDA’s report and accounts before Parliament and arrange for them to be published in accordance with the terms of the draft Bill.

### **6.2 External audit**

- 6.2.1 The Comptroller and Auditor General (C&AG) audits the NDA’s annual accounts . For the purpose of audit the C&AG has a statutory right of access to relevant documents as provided for in the Government Resources and Accounts Act 2000, including by virtue of any order made under section 25(8) of that Act.
- 6.2.2 The C&AG will consult the department and the NDA on who (the National Audit Officer or a commercial auditor) will undertake the actual audit on his behalf.
- 6.2.3 The C&AG will share with the DTI team information identified during the audit process and the audit report, together with any other outputs. This will apply, in

particular, to issues which impact on the Department's responsibilities in relation to financial systems within the NDA.

### **6.3 Value for money examinations**

6.3.1 The C&AG may from time to time review economy, efficiency and effectiveness with which the NDA has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under the National Audit Act 1983. The NDA shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

## **7. STAFF MANAGEMENT**

### **7.1 General**

7.1.1 Within the arrangements approved by the Secretary of State, the NDA shall have delegated responsibility for the recruitment, retention and motivation of its staff. To this end the NDA shall ensure that:

- its rules for the recruitment and management of staff provide for appointment and advancement on merit and reflect equal opportunities for all applicants and staff, regardless of race, colour, ethnic or national origin, age, religion, gender, marital status, disability or sexual orientation;
- the level and structure of its staffing, including gradings and numbers of staff, is appropriate to its functions and the requirements of efficiency, effectiveness and economy;
- the performance of its staff at all levels is satisfactorily appraised and a performance management system is in place and reviewed from time to time;
- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the NDA's objectives;
- proper consultation with staff takes place on key issues affecting them;
- adequate grievance and disciplinary procedures are in place;
- a code of conduct for staff is in place based on the Cabinet Office document - Model Code for Staff of Executive Non-Departmental Public Bodies.

### **7.2 Delegated Functions**

7.2.1 The Chief Executive - and where they are different, the Accounting Officer - is free to propose personnel and pay policies suited to the specific requirements of the NDA and its staff.

### **7.3 Industrial relations**

- 7.3.1 The Chief Executive is responsible for maintaining good staff and industrial relations and will consult with staff and their representatives as appropriate. The normal expectation is that all matters affect the NDA will be resolved within the NDA's existing framework of consultation arrangements.

## **8. REVIEWING THE NDA**

- 8.1 The NDA will be reviewed in line with DTI's overall review programme for NDPBs.