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**Minutes of the ONR Board**

**7 February 2024**

**Oakley Hall Hotel, Hampshire**

**Present:**

**Members Attendees**

Judith Hackitt - Chair Dave Caton - HR Director

Sarika Patel - Non-Executive Director Sarah Brown – Head of Policy

Tracey Matthews - Non-Executive Director

Jean Llewellyn - Non-Executive Director

Janet Wilson - Non-Executive Director

Roger Hardy- Non- Executive Director

Mark Foy - Chief Executive / Chief Nuclear

Inspector

Sarah High - Deputy Chief Executive

Donald Urquhart - Executive Director

Regulation

**Secretary:** Nidhi Misri, Head of Corporate Governance and Compliance (Board Secretary)

1. **Welcome, Introductions, Apologies for Absence and Declarations of Interest**

1.1 The Chair welcomed everyone to the meeting.

1.2 There were no apologies for absence and no declarations of interest were received.

**2 Minutes, Matters Arising and Action Points**

2.1 The minutes of the meeting held on 6 December were agreed as a correct record.

2.2 All actions on the action log were complete or on track for delivery.

**3 Chair’s Report**

3.1 The Chair reflected on the Board’s visit to Aldermaston and the joint ONR Board/AWE Board discussion which had provided an excellent opportunity to share respective views on the good progress being made and to discuss current challenges.

* 1. She reflected on a number of interesting themes as follows:
* As part of her induction to ONR since taking up post on 1 January, she had met Department for Work and Pensions (DWP) and Department for Energy Security and Net Zero (DESNZ) Ministers, as well as key stakeholders including Great British Nuclear (GBN), AWE, EDF, and the Environment Agency. She reflected on ONR’s strong reputation which was clear from these meetings.
* It was encouraging that stakeholders were keen to engage with the Chair and that there was a willingness to hear about how they could help ONR to be even more effective.
* ONR had been robust with the industry in terms of taking enforcement action where necessary which had not detracted from stakeholders’ positive view of the organisation; they fully understood and recognised ONR’s role as both an enabler and enforcer.
* There had been recognition and acknowledgement of ONR’s valuable work with other international regulators.
* There would be benefit in strengthening ONR’s relationship with the Environment Agency, especially at Board level.

**4 Executive Director Report**

4.1 The CE/CNI presented his summary report on key strategic, operational and financial matters, and highlighted emergent risks during the reporting period. His report draws on respective summary assessments from the Board’s Executive Directors (EDs).

4.2 The CE/CNI noted that this was a dynamic and unprecedented time for ONR, with uncertainty in both the civil and defence nuclear sectors as well as the impact on future strategies, government policies and regulatory focus following the impending general election. ONR was also experiencing significant change in leadership for which plans were being made to ensure minimal impact on the organisation. An associated risk would be developed and brought to ARAC in due course.

4.3 In discussion the Board:

* Noted that work was taking place on workforce planning and short and long term succession planning for the senior leadership team, including the role of CE/CNI.
* The ONR Executive Team (OET) had met with ICE creates, ONR’s Director and Executive Director Development partners, to share reflections relating to the effectiveness of our leadership development arrangements over the last few years. Options were being considered for future director development opportunities. ICE Creates were working up a revised offer for director development over the next 12 months, which would be brought to the Board in April.

**Action: Dave Caton to update the Board on the revised offer for Director Development from ICE Creates.**

* An all staff event was being planned for June 2024. This was the first all staff event since 2017 and was an investment in ONR’s people and an opportunity to reflect on ONR’s journey since vesting as a public corporation ten years ago. It was also an opportunity to achieve alignment on ONR’s future direction and purpose as the new ONR strategy was developed. Given the novel and contentious nature of this spend a Board decision would be sought by correspondence in March 2024.
* DESNZ would issue a report to the Minister in June on ONRs progress and response to the findings of the Post Implementation Review (PIR), prior to laying in Parliament. A report to DESNZ and DWP, summarising ONRs evidence for closure of all 17 findings, was in development and would be circulated to Board in March.

4.4 The Deputy Chief Executive updated the Board on the Organisational Review. In December the Remunerations and Resilience Committee (RRC) approved the high-level design as a working hypothesis, with several further points of clarification requested. Significant activity and progress over recent weeks had taken place including: developing and locking down the project plan; taking OET and directors through the integrated project delivery plan; developing initial detailed structures; and preparing to communicate the high level structure decision to staff at the end of February.

4.5 Good progress was being made in relation to the lease reviews at all three of ONR’s

locations and feedback from local accommodation working groups had been positive.

4.6 In discussion the Board:

* Commented on the need for the organisational structure to be designed to fit the optimum structure of the organisation and not to fit to current staffing.
* Noted the need for agility in the structure to respond to future demands.
* Noted plans to mitigate any pay and grading issues relating to the organisational review.
* Noted the point on stress levels in the organisation and asked for this to be kept under close review.

4.7 The Executive Director of Regulation updated the Board on four key areas:

* Work to improve the productivity and the efficiency of ONR’s regulation continued with the commitment to identify the equivalent of 27 FTE’s through efficiency and prioritisation of our regulatory work.
* Proactive recruitment was continuing, and work was ongoing to understand and learn lessons from previous unsuccessful campaigns. Destination Nuclear were launching a campaign through local press advertising which would also be likely to reinvigorate interest in careers within the nuclear sector.
* A CNI themed inspection on climate change was taking place and the team were preparing to do some site verification visits. There would also be an international seminar in February, sponsored by ONR to benchmark the regulation of climate change and how it was being regulated in other industries.
* There were now three Small Modular Reactor (SMR) technologies at various stages of the GDA process.

4.8 The Board noted the Q3 Performance report.

4.9 The Board noted the report.

**5 Committee Membership**

5.1 The Board approved the proposed changes to ONR’s committee membership.

**6 Summing Up and Close**

6.1 The Chair thanked everyone for their attendance and contribution at Board and in our engagement with the AWE Board and site visit.

6.2 There was no other business raised. The Chair formally closed the meeting.

**7 Information Papers**

7.1 The Board noted the following information papers:

1. PMO Quarterly Update
2. Corporate Security & Resilience Update
3. Our Approach to Environmental, Social and Governance
4. Audit and Risk Assurance Update
5. Security Committee Minutes
6. Board/Committee Dates 2024/25
7. Board Forward Look