

NOTES OF 5th MINISTRY OF DEFENCE ISOLUS (Interim Storage Of Laid-Up Submarines) STEERING GROUP (MISG) HELD ON 8th NOVEMBER 2007

Attendees:

Alasdair Stirling	Ministry of Defence (MOD) – Director In-Service Submarines (Chairman)
Cdre Simon Lister	MOD - Naval Base Commander Devonport
Capt. Steve Firth	MOD - Facilities Group Leader
Andrew Stevenson	MOD - Representing Naval Base Commander Clyde
Howard Mathers	MOD - Chief Engineer and Safety Director for Director General Submarines
Elizabeth Gray	Head Radioactive Waste Team, Environment Group, Scottish Government
Paul Hamer	Managing Director, British Nuclear Group Project Services Limited
Robin Carton	Local Government Associations Nuclear Legacy Advisory Forum (NuLeAF)
Robert Gray	Health & Safety Executive (HSE) - Nuclear Installations Inspectorate (NII)
Dr Jane Hunt	Lancaster University
Peter Lanyon	Nuclear Submarine Forum
Steve Chandler	Environment Agency
Roger Jackson	Consultant
Les Netherton	ISOLUS Advisory Group Chairman
Chris Hargraves	MOD - ISOLUS1
Mark Limbrick	MOD - Defence Estates Head of Planning and Construction
David Wilcox	MOD - Defence Estates (Observer)
Murray King	MOD - Private Finance Unit (Observer)
Lt Steve Woodley	MOD - ISOLUS3 (Observer)
Maggie Taylor	MOD - Assistant Director (AD) ISOLUS (Secretary)
Antony Lokier	MOD - ISOLUS2 (Secretary Support)

Apologies:

Capt. Mike Wareham	MOD - Representing Naval Base Commander Clyde
Peter Brazier	Nuclear Decommissioning Authority (NDA)
George Regan	Convention of Scottish Local Authorities (CoSLA)
Dr Robert Jackson	Head Policy Development Unit, Radioactive Substances Division, Department for Environment Food and Rural Affairs

1. Welcome by Chairman

Alasdair Stirling (AS) welcomed everyone to the meeting. Those present gave a summary of their current positions for the benefit of the new attendees. AS gave an update on the events since the last meeting:

- Approval was received on 21st May from the MoD Investment Approval Board for the remainder of the assessment phase of the ISOLUS Project.
- The formation of Babcock Marine following the purchase of Devonport Management Ltd by Babcock's. Babcock Marine now has a greater role in submarines due to its influence at Clyde Submarine Base, Rosyth and Devonport. They are now part of the Submarine Enterprise Collaborative Agreement (SECA) who together with Rolls-Royce, BAE Systems

and MoD are looking at the whole CADMID (Concept, Assessment, Demonstration, Manufacture, In-Service and Disposal) cycle for submarines in order to make best use of scarce resources in the future. SECA are currently working towards a Statement of Strategic Intent.

- The MoD is currently drafting an intergovernmental agreement with the Nuclear Decommissioning Authority (NDA), which it is intended to be in place by the end of the year. This will enable a joint look at the options for interim storage of Intermediate Level Waste (ILW).
- The formation of the ISOLUS Advisory Group which has held two meetings.

These events show how momentum is moving in the Project and will be moving to a more Project Management oriented phase. That there is a lot of work to be done looking at the interaction with the MoD Nuclear Facilities Group (headed by Captain Steve Firth), Stakeholder management and Governance.

AS stated that his style for chairmanship of the MISG will be that of openness and that any exceptions will be explained. He would be happy to make work in progress available to the Group, if the Group accepted that it would only be able to make constructive challenge at that stage. The Group agreed that work in progress would be treated in this manner.

2. Notes of last meeting

The notes of the last meeting had been ratified outside of the meeting and published on the ISOLUS Website.

3. Review of Actions

- **"Action 3.2: MT to produce a strategy for discussion following Government response to CoRWM." - Action Complete** - This will be discussed under Agenda Item 4 (f).
- **"3.3: MT to produce list of Technical Reports for Website." - Action Complete** - This will be discussed under Agenda Item 4 (b).
- **"4.1: MT to present the proposed audit trail process to the IAG" - Action Complete** - This will be discussed under Agenda Item 4 (c).

4. ISOLUS Update

Maggie Taylor (MT) gave a brief on the ISOLUS Project progress since the last meeting based on the following topics in her summary report at Annex A:

(a) ISOLUS Advisory Group (IAG)

Maggie Taylor (MT) welcomed Les Netherton as the IAG Chairman, who would be the future link between the IAG and the MISG.

(b) Technical Studies

MT stated that a list of technical studies had been produced for the IAG members to comment on. The information had been copied to the MISG to fulfil action 3.3. The group agreed that

this action was complete. MT explained that a CD with full details of technical reports would be made available shortly.

A number of concerns were raised during the discussion regarding the process for preview of future work and the logic and discussion of future studies. It was agreed that these issues should be addressed by the IAG.

(c) FEC and CIOP recommendations - audit trail

MT stated that a process had been presented to the IAG for initial comment and would be considered in detail at the next IAG. The Group agreed that Action 4.1 was complete.

Jane Hunt expressed her concern that she had not been approached to discuss the public consultation recommendations as had been previously agreed. MT stated that the planned discussion on this subject at the last IAG meeting had been deferred until JH was available. AS stated that this should be pursued out of the meeting at the next IAG.

Elizabeth Gray (EG) stated that we should not review the recommendations themselves, but only state if something new has happened. Another concern was that some of the recommendations were out of date due to the terminology, e.g. one of the recommendations made reference to the Liabilities Management Unit.

(d) Links with civil nuclear

MT stated that dialogue was ongoing between the MoD and the NDA to put an overarching working agreement in place, which would hopefully be signed by the end of the year. MT informed the Group that the MoD Centre was planning to make a statement on MoD Nuclear Decommissioning and Disposal Policy. EG expressed concern that she had not been informed that such a statement was in production and that it had not been mentioned at the recent Radioactive Waste Policy Group which MoD attended. JH asked whether it was possible to see the notes of the MoD Centre meetings surrounding this statement. MT agreed to raise the concern with MoD Centre and determine if it was possible to see the notes.

Action 5.1: ISOLUS Team to contact MoD Centre regarding the need to inform Other Government Departments (OGDs) and Devolved Administrations about the forthcoming statement on MoD Nuclear Decommissioning and Disposal Policy.

Action 5.2: ISOLUS Team to establish whether notes of MoD Centre meetings about the forthcoming statement can be made public.

(e) Overview of the ISOLUS project budget

MT stated that this overview of the ISOLUS project budget in her report at Annex A was in response to a request from Peter Lanyon (PL). PL stated that some NGO's feel that shortage of funding is why the project has taken so long. EG pointed out that getting public Money for a long-term project is very difficult and that a phased was best approach for ISOLUS. A question was raised if there was enough money to support Independent Peer Review of Studies. Chris Hargraves (CH) stated that half of the budget was allocated for planned work, and half was available to cover emerging work, including these activities.

(f) ISOLUS strategy post - Government's response to the Committee on Radioactive Waste Management (CoRWM)

MT explained that she felt that the current ISOLUS statement on the CoRWM report, which is on the ISOLUS website, effectively sums up the ISOLUS strategy post-CoRWM. In addition

the project will ensure that future decisions will go along with national policy. The group agreed that this completed Action 3.2.

MT stated that copies of the outline project programme and the current draft version of the Decision Tree were going to be made available for comment at the end of the meeting.

Action 5.3: All to provide comments on outline project programme and draft Decision Tree.

5. ISOLUS Advisory Group

(a) IAG update

Les Netherton (LN) stated that the Group had formed and had a good broad range of membership. Two meetings had been held to date and the next meeting is due to be held in Birmingham with members of the public invited to observe. The Group had agreed Terms of Reference and was planning to hold a workshop in December focusing on the scope of the Technical Options Study.

(b) ISOLUS Project Title

LN stated that an observation was made at the 1st IAG that the project title no longer appeared to reflect the aim of the project and now would be a good time to review it. Following a discussion it was agreed to keep the title, as it was pronounceable and it had “brand recognition”.

6. Industry Update

Paul Hamer (PH) stated that he had 4 topics for his update.

(a) Risk Reduction Studies

PH emphasised that the studies are focused on data collection to get better visibility of the nuclear and non-nuclear hazards and assess their magnitude. This would achieve a technical baseline for the safe handling of the submarines and would allow a benchmark against international experience to save reinventing solutions. This information would also help the project move from a holistic to a project management based approach.

(b) Maintaining International Links

PH stated that Industry was continuing to maintain its international links. BNG Project Services Ltd has links with the French Company TECHNICATOME for the exchange of information. NUKEM Limited (the UK arm of the international NUKEM Group) has involvement with the Russian submarine-decommissioning programme.

(c) Industry Structure

PH stated that there had been important changes to the industry alliance members over the last six months. In addition to the formation of Babcock Marine, NUKEM Limited, who have been working with Serco Assurance on ISOLUS studies, became the wholly owned subsidiary of Freyssinet SAS, itself a wholly owned subsidiary of the French construction giant, VINCI. Also his company BNG Project Services Ltd was in the process of being sold, and the new owners should be announced very shortly. (PMN: Vosper Thornycroft Group)

(d) What are we doing outside of ISOLUS

Roger Jackson (RJ) stated that he was maintaining relationships with the Department of Business, Enterprise and Regulatory Reform (BERR) and the NDA on behalf of industry to ensure that no industry proposals are outside Government Policy. RJ had also been talking to DEFRA regarding developments in the ship recycling world. A number of overarching Maritime Agreements were being developed and a strategy had been produced for the disposal and recycling of government owned vessels. Howard Mathers offered to speak to DEFRA regarding the applicability of these developments to submarines, bearing in mind the security restrictions on some aspects of the submarine design.

Action 5.4: Howard Mathers to speak to DEFRA regarding the applicability of the UK ship recycling strategy to submarines.

In summary, PH said that industry was sensing a growing momentum in the project and he was looking forward to better definition of the project, which would allow more “steering” to take place. He was keen to learn from other countries’ experience. Steve Chandler warned that overseas methods and technology might not be easy to transfer due to different regulatory standards.

A discussion took place regarding the concern about the focus in the studies on Reactor Compartment “cut-up” and the need to keep the public up to date. It was emphasised that Reactor Compartment Cut -Out is the technical baseline for the project and this already happens internationally. The project is exploring the other possible options to gain more information to compare all options and enable the project to take the best technical option forward. It was agreed to ask the IAG how to best keep the public informed.

Action 5.5: IAG to consider how the possible option of Reactor Compartment "cut-up" should be presented. (Action: IAG Chairman)

7. Civil Nuclear Update

(a) Low Level Waste (LLW) Review

EG stated that the LLW management policy, which was published in March 2007 by the UK Government and the Devolved Administrations, was still in place following the changes in government in Scotland. The next stage is for the NDA to develop an UK wide strategy for the management of nuclear industry LLW. The policy also initiates the first steps towards the development of a UK-wide strategy for the management of non-nuclear industry LLW. All aspects would continue to go forward.

Action 5.6: Elizabeth Gray to provide website link to Low Level Waste review.

(PMN: <http://www.scotland.gov.uk/Topics/Environment/Waste/16293/176481>)

(b) Intermediate Level Waste

EG stated that the new Scottish Government had not endorsed the recent Managing Radioactive Waste Safely (MRWS) consultation on geological disposal published by the UK Government and the Devolved Administrations of Wales and Northern Ireland. The Scottish Government would continue to engage with the reconstituted Committee on Radioactive Waste Management (CoRWM) on interim storage and research, but not on deep geological disposal. Appointments had now been made to the reconstituted CoRWM, and LN was congratulated on his membership.

Peter Lanyon expressed a concern that the government was ignoring the CoRWM recommendation regarding a programme of research and development into the long-term safety of geological disposal. EG stated that the reconstituted CoRWM would be looking at research and development, and in

addition the NDA has a research Board. EG was aware of a lot of work already being done on waste minimisation and said that where the waste originated was not a problem. JH noted that whilst this may be true from the technical aspect, there were difficulties from a social and ethical perspective.

(c) Nuclear Decommissioning Authority (NDA)

EG stated that the NDA had issued its draft three-year business plan for consultation on the 7th November 2007. PL stated that the public perception was that the NDA had no money. EG stated that the NDA's budget was actually going to increase over the next 3 years but was focused on reducing high-level hazards on sites, hence the greater focus of funding on Sellafield and Dounreay.

8. Other Issues Notified

(a) New issues affecting public acceptability of the ISOLUS programme.

JH stated that ever since the earliest ISOLUS consultation it has been a public recommendation to stop the build of submarines until a disposal route exists and this is also the consistent finding of social research; new build makes the social relationships of waste management more problematic. EG confirmed that this was her direct experience in relation to civil nuclear. Following a discussion the Group acknowledged that the defence policy on new build had been set by Parliament via a White Paper and a vote as part of the democratic system. Whilst the decision on new build was outside the scope of this group, it was agreed that the decision had had an impact on the public perception of ISOLUS and MoD should be aware of this.

Action 5.7: MISG Chairman to raise within MOD the issue of the social implications of the decision to build new submarines in relation to waste management.

(b) Implementing peer preview in the ISOLUS programme.

It was agreed that it would be more appropriate to discuss this at the IAG, as the principle had been agreed by MISG. AS stated that an Office of Government Commerce (OGC) peer review of the project would be conducted.

(c) The effect of the proposed new planning legislation on the ISOLUS Project.

Mark Limbrick presented his brief at Annex B, on the effects of emerging planning legislation on the ISOLUS project. It was concluded that this would have no direct impact.

(d) The place, timing and effect of on Strategic Environmental Assessment (SEA) in the ISOLUS Project.

CH stated that a SEA was required by the project and it would be undertaken once a site had been identified. He stated that the project was in the final stages of producing an Environmental Strategy which he would issue it to the MISG and IAG.

Action 5.8: Chris Hargraves to issue ISOLUS Environmental Strategy.

Robbie Gray (RG) highlighted that possible links between Defence and the NDA for disposal/storage could invoke EURATOM Treaty Articles 31 and 37.

A discussion followed regarding the scope of a SEA. It was noted that the requirement is relatively new with a very wide scope that is slowly being bounded by European Directive Case Law.

Action 5.9: ISOLUS Team/Defence Estates to issue short briefing note on Strategic Environmental Assessment (SEA). All members encouraged to conduct their own research.

9. Review of MISG Constitution

The MISG constitution was presented to the group for review, as it had been 12 months since it had been agreed. A number of changes were agreed and the revised constitution is at Annex C. Following the formation of IAG, it was suggested that attendance at meetings should be reviewed so as to avoid overlap between the two groups

Action 5.10: IAG chairman to consider overlap of attendance at the MISG of IAG members.

10. AOB

JH acknowledged that the IAG would be looking at evaluation criteria and recommended that the works starts as early as possible as it takes a long time; AS agreed.

JH requested that we have a better room layout in the future to help those with hearing difficulties to be able to lip read.

Cdre Simon Lister raised the question of considering economy in what we are doing. RG stated that from a regulatory view that cost is a factor, affordability is not.

11. DONM

- Date of next meeting was to be confirmed outside of the meeting.

Action 5.11: Secretary to propose dates for next meeting, taking into account requirements of Group in terms of timing of meeting, location and facilities required.

- AS thanked those who had attended.

ANNEX A - AD(ISOLUS) REPORT

(a) ISOLUS Advisory Group (IAG)

Since the last MISG, the ISOLUS Advisory Group has been established and has held 2 meetings. We are pleased to welcome Les Netherton as IAG Chairman to the MISG, and he will give an update on IAG activities under Item 5.

(b) Technical studies

Details of technical studies were issued to members of the IAG on 2 November 07. In accordance with the process agreed at the IAG meeting on 27 September 07, IAG members have been invited to comment on the suitability of the format and presentation prior to this information being placed on the ISOLUS website. A CD with links to the full reports is in course of preparation and will be sent out shortly. When all or part of a report cannot be included, for example due to security or commercial reasons, an explanation will be given. This information was also copied to MISG members as this fulfils Action 3.3 outstanding from MISG Meeting No. 3.

The IAG will be given preview of future work. Most significant is the forthcoming review of ISOLUS technical options, for which the proposed scope of work will be discussed at a workshop with the IAG on 5 December 07. This is to provide the opportunity for IAG members to comment and ensure that the scope of the review includes all the relevant aspects in terms of fulfilling the requirements of future public consultation.

In preparing this information we have taken account of the IAG and MISG's requests for a comprehensive record of work undertaken on the project to date. In addition, as requested, we include comments on how the outcome of this work may influence future decisions.

(c) FEC and CIOP recommendations – audit trail

A process to track progress on recommendations from the FEC and CIOP public consultations has been presented to the IAG for initial comment, and will be discussed in more detail at the next IAG meeting.

(d) Links with civil nuclear

MOD has met with the Department of Business, Enterprise and Regulatory Reform (BERR) (ex-Department of Trade and Industry) and the Nuclear Decommissioning Authority (NDA) to discuss decommissioning issues, including the possibility of seeking common solutions to storage of Intermediate Level Waste. An overarching working arrangement is expected to be in place by the end of the year. Once this framework is established, this will enable Project ISOLUS to develop its own, more detailed involvement with the NDA on siting, technical and consultation issues.

(e) Overview of the ISOLUS project budget

Cost estimates for the ISOLUS project are calculated using a cost model which has been developed and updated over the life of the project. It continues to be updated as the project matures. The model, which is commercial-in-confidence, will be independently validated as we approach the main investment decision. In terms of Government funding, financial approval has been gained and sufficient funding obtained for the project for the next 3 years, until the main investment decision. Future funding is contained within MOD's nuclear provisions. As far as uncertainties in the programme permit, we believe this provides for our requirements.

(f) ISOLUS strategy post-Government's response to the Committee on Radioactive Waste Management (CoRWM)

At MISG Meeting No. 3, which was held on 20 October 2006, just before Government's response to the CoRWM report was issued, SE/DEFRA offered a joint presentation to the next meeting (MISG No. 4) on the key points (Action 3.1), and AD ISOLUS took an action (3.2) to produce a strategy for discussion. In the event, SE and DEFRA were unable to attend Meeting No.4, and a written brief was provided. In the meantime, the following statement was placed on the ISOLUS website:

ISOLUS Statement on the CoRWM report

- *The key recommendation of the CoRWM report most relevant to Project ISOLUS is that a programme of robust, safe and secure long term interim storage of Intermediate Level Waste (ILW) is required until the geological disposal facility is established. This aligns with the ISOLUS requirement for long term interim storage of ILW, pending development of a final disposal solution.*
- *This important development opens the way for the ISOLUS project team to develop its siting strategy for the processing of waste from submarines, and the interim storage of the arising ILW (noting that these are separate activities which do not necessarily take place at the same site). This work will be conducted over the coming months, in consultation with relevant stakeholders. In parallel, we will be continuing the programme of technical and environmental studies which will inform our future decision making in relation to the technical baseline for the project.*

This statement effectively sums up the ISOLUS strategy post-CoRWM, and its content is reflected in the action-tracking document on FEC and CIOP recommendations. The project continues to follow this line, and will ensure that future decisions on interim storage of submarine wastes are compatible with the Government's developing long term national radioactive waste management policy.

ANNEX B - Effects of emerging planning legislation on ISOLUS



20071030 Briefing -
Effect of ...

ANNEX C - MISG Constitution

Preamble

1. Director In-Service Submarines (DISM) is the MOD's responsible officer for Project ISOLUS (Interim Storage of Laid Up Submarines). As the budget holder, DISM is accountable through Director General Submarines and Chief of Defence Materiel to Ministers for the ISOLUS programme and carries the delegated authority to deliver it.
2. The Assistant Director ISOLUS (AD ISOLUS) has day-to-day responsibility for project managing the programme.
3. The Lancaster University ISOLUS Consultation Steering Group (CSG) was established in March 2001 to oversee the two rounds of Project ISOLUS public consultation that were conducted in 2001 and 2003. The CSG held its last meeting in July 2005.
4. The MOD ISOLUS Steering Group (MISG) has been instituted as an element of the corporate governance of Project ISOLUS. The MISG is chaired by the DISM and its Secretariat is provided by the ISOLUS Project team.

Purpose

5. The principal purpose of the MISG is to contribute to the timely development of a solution for the dismantling of the UK's defuelled nuclear powered submarines which inspires public confidence, is safe, environmentally responsible, secure and cost effective. The MISG may through its chairman influence the planning and implementation of the solution in the light of effective future public consultation and national decisions on radioactive waste management.
6. In support of the purpose of the MISG, an advisory group has been created to provide a vehicle for conducting independent assessment of initiatives and outcomes, and to furnish a conduit for providing scrutiny¹, advice and counsel to the MISG aimed at facilitating the ISOLUS programme.

Conduct of Business

7. The MISG shall meet as necessary but normally two or three times a year. In general:
 - Discussion is to be kept at a high level to review the programme and to identify and seek to resolve major issues and impediments to progress. Actions may be placed on members of the MISG as agreed;
 - No formal MISG minutes are produced, but the Secretary will issue notes of meetings and collate reports that may be produced from time to time. After ratification by members, notes of meetings will be published on the ISOLUS website.
 - Reports produced for the MISG may be used to support the purposes of the MOD ISOLUS Project team as directed by SUBIPT Team Leader;
 - Business will be transacted in an open and transparent manner. Appropriate restraint will inform the handling of security and commercial sensitivities, where these may arise;
 - Business may be conducted by correspondence where appropriate;
 - Observers and appropriate experts may be invited to attend on an ad-hoc basis.

¹ Scrutiny includes preview and review.

Membership

8. Membership of the MISG is through personal invitation of the Chairman, based on advice from the Group. From within the MOD, the Devonport and Clyde Naval Base Commanders are members of the MISG. Relevant other Government departments, the DTI, Defra and the Scottish Government, are also included to reflect their views.

9. Outside central Government, membership on the MISG includes NGO and local authority practitioners, together with representatives covering the various interests of public consultation, industry, nuclear regulators, environment agency and advisers on radioactive waste management.

10. Over time, the constitution and the composition of the MISG will evolve to reflect the focus and priorities of the Project as it develops, particularly in respect of any Ministerial decisions following consideration of the recommendations of the Committee on Radioactive Waste Management (CoRWM) and the Low Level Waste Policy Review.

11. The members of the MISG are as follows:

- Alasdair Stirling – Director In-Service Submarines (Chairman)
- Commodore Simon Lister – Naval Base Commander Devonport
- Commodore Chris Hockley – Naval Base Commander Clyde
- Andrew Layton – Director Nuclear Liabilities, Department of Business, Enterprise and Regulatory Reform (BERR)
- Dr Robert Jackson – Head Policy Development Unit, Radiological Substances Division, Department for Environment Food and Rural Affairs
- Elizabeth Gray – Head Radioactive Waste Team, Environmental Group, Scottish Government
- Paul Hamer – Managing Director, BNG Project Services Limited
- Robert Gray – Nuclear Installations Inspectorate
- Fred Barker – Local Government Associations Nuclear Legacy Advisory Forum
- Peter Lanyon – Nuclear Submarine Forum
- Roger Jackson - Consultant
- Dr Jane Hunt – Lancaster University's Centre for the Study of Environmental Change
- Peter Brazier - Nuclear Decommissioning Authority
- George Regan - Convention of Scottish Local Authorities
- Steve Chandler - Environment Agency
- Les Netherton - ISOLUS Advisory Group Chairman
- Maggie Taylor – Assistant Director ISOLUS (Secretary)
- Antony Lokier - ISOLUS2 (Secretary Support)

Review

12. This constitution will be reviewed annually or earlier if necessary.