



Nuclear Free Local Authorities Steering Committee

information

NFLA media release - for immediate release, 4th November 2013

NFLA calls on the Nuclear Decommissioning Authority to address urgently new revelations over Sellafield NMP's lack of value for money

The Nuclear Free Local Authorities (NFLA) is alarmed to discover new revelations over the poor performance of the NMP (Nuclear Management Partners) consortium running the highly sensitive Sellafield site in West Cumbria.

According to new figures from the National Audit Office (NAO), and published in 'The Times', the Sellafield owners are forecast to find only £652 million of savings in its decommissioning programme over the first five years of its contract, significantly below its minimum target of £796 million. (1)

The NFLA were one of many organisations that have criticised both the lack of value for money and slow progress with decommissioning of the Sellafield site. Though NFLA acknowledges the sheer complexity of the Sellafield site, the findings of both the NAO and the Parliamentary Public Accounts Committee (PAC) highlight that NMP are falling further behind what is expected of them by the Nuclear Decommissioning Authority (NDA). (2) The NDA oversee the contract which provides such large amounts of money to maintain the Sellafield site, itself a considerable portion of the Department of Energy and Climate Change's (DECC) entire budget.

The NFLA remain puzzled as to why the NDA gave NMP a five year extension to its contract in October 2013. The NFLA Chair was similarly unimpressed by the explanation provided by senior NDA staff at its recent Stakeholder Dialogue. (3) Two detailed public studies have now shown NMP is failing to deliver this contract adequately. At the very best the NDA should have only awarded a contract extension for two years to put NMP under more pressure to deliver in a speedier fashion than it is at present. As the contract has been sectioned into three periods of five years and one period of two years, it was feasible for the NDA to have undertaken such a course of action.

The NFLA is also disappointed to note in 'The Times' that NMP will not be appearing with the NDA at the Public Accounts Committee hearing today. To read as well that senior NMP executives have been exempt from UK income tax and, as a result, received refunds when the UK income tax for high earners was increased from 40% to 50% in 2010. In this the NFLA has sympathy with the strident comments of the local MP for Copeland, Jamie Reed, who argues such benefits are a waste of public money.

Billions of pounds of public money are being spent on Sellafield, as with the decommissioning of other UK nuclear reactors. As the UK Government makes the equally ridiculous decision to gamble billions more on new nuclear build at Hinkley Point, it really is a time to get a grip on Sellafield and put NMP under a stricter timetable of improvements that are annually verified by the NAO and PAC.

Councillor Mark Hackett, Chair of the Nuclear Free Local Authorities (NFLA) said:

"NFLA has been concerned about the slow improvements to resolve the decommissioning of the Sellafield site for many years now. I hope the NDA take a firmer grip on Sellafield NMP to deliver the value for money that the public demands of it. In the NFLA's view suggested new projects at Sellafield, such as a plutonium fabrication facility, a new nuclear reactor or even a geological disposal facility should all be abandoned on the site given the priority in decommissioning all existing facilities. Sellafield has much to get on with in resolving 60 years of a huge nuclear legacy – NMP must get to grips with this, the NDA must oversee the project more robustly and I encourage both the NAO and the PAC to continue to keep a close eye on both to ensure real value for money to the public."

THE LOCAL GOVERNMENT VOICE ON NUCLEAR ISSUES



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For more information please contact: NFLA Secretary, Sean Morris on 00 44 (0)161 234 3244.

Notes for editors:

- (1) The Times, 4th October 2013:
<http://www.thetimes.co.uk/tto/business/industries/utilities/article3912108.ece>
- (2) See NFLA media release, 7th November 2012:
http://www.nuclearpolicy.info/docs/news/NFLA_NAO_NDA_report.pdf
- (3) The NFLA Chair and the NFLA Secretary attended the 2013 NDA Stakeholder Dialogue in Crowne Plaza Six Lakes Hotel, Colchester, Essex on the 21st and 22nd October 2013.

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