

NDA

Socio Economics & Supply Chain

Socio Economics

- **Energy Act 2004 requires NDA to consider socio-economic impacts on communities close to our sites**
- **Delivered through:**
 - Direct NDA funding
 - Funding Site Licence Companies in Management & Operations contract
 - Through associated activity i.e. skills development

Socio Economics in West Cumbria

- **NDA socio economic policy**
 - Identifies West Cumbria as a priority area
 - Sets priority themes of employment, education/skills, economic & social infrastructure, economic diversification
- **Delivered through**
 - Nuclear Funding partnership in Britain's Energy Coast in keeping with Cumbrian Memorandum of Agreement
 - Funds per annum: NDA circa £3m, Sellafield £3.1m, NMP £4m
 - Associated skills infrastructure and initiatives development
 - >£25m skills expenditure in West Cumbria

Supply Chain Strategy

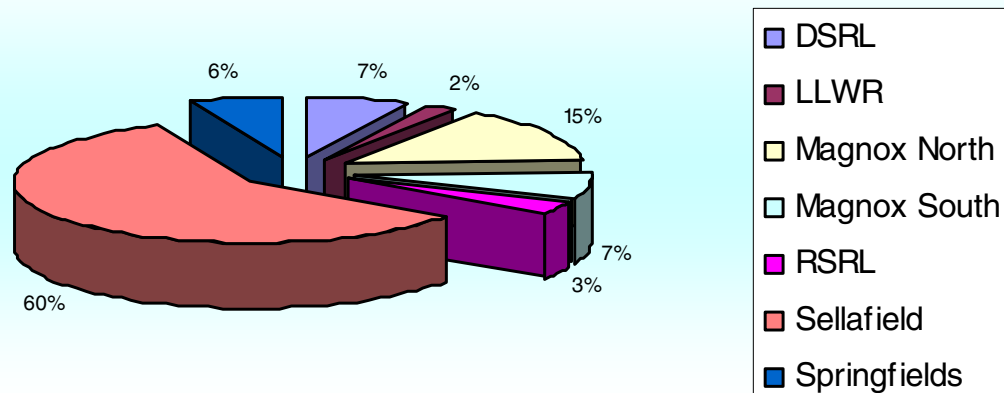
- **Optimise use of Supply Chain to enable safe, affordable, cost effective, innovative and dynamic market for clean up and decommissioning**
- **Requirement on NDA and SLCs to comply with public contracts regulations (OJEU)**
- **Obligations on supply chain to operate legally, safely, securely etc**
- **M&O contract with SLCs include potential Fee Abatement**
- **Principles captured in Supply Chain Charter**

Supply Chain Strategy

- **Assist Small & Medium Enterprises (SMEs) and Tier 3-4 Suppliers by NDA estate providing information on:**
 - Smaller packages of work (£50k-£100k)
 - Details of packages in larger contracts to help identify opportunities for sub contracting
 - Suppliers that have won work, especially larger contracts and framework contracts
 - Where possible bidders for major procurements
 - Encourage Tier 2s to advertise sub contracting opportunities
- **Draft Strategy II consultation**
 - Potential for future workshop to develop agreed guidance note

Supply Chain Spend 2009/10

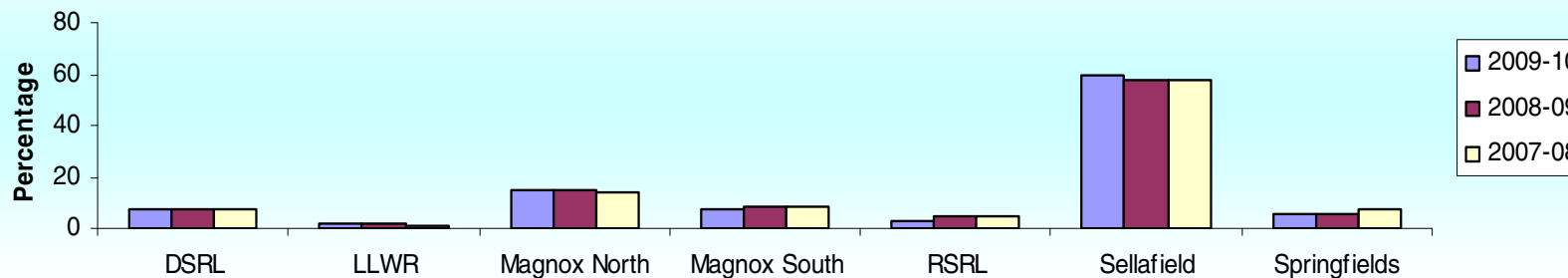
Split of Supply Chain Spend 09/10



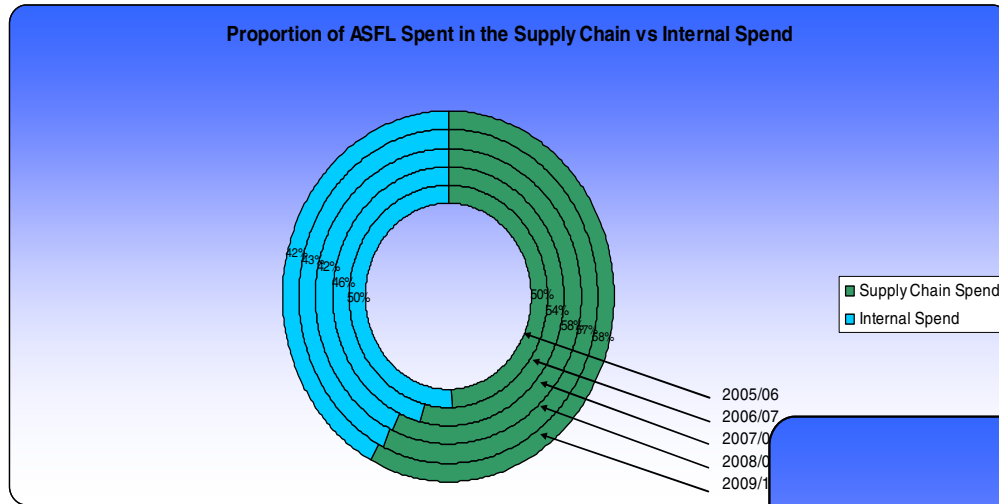
£1.4billion Supply Chain spend

Outturn ASFL £2.4billion

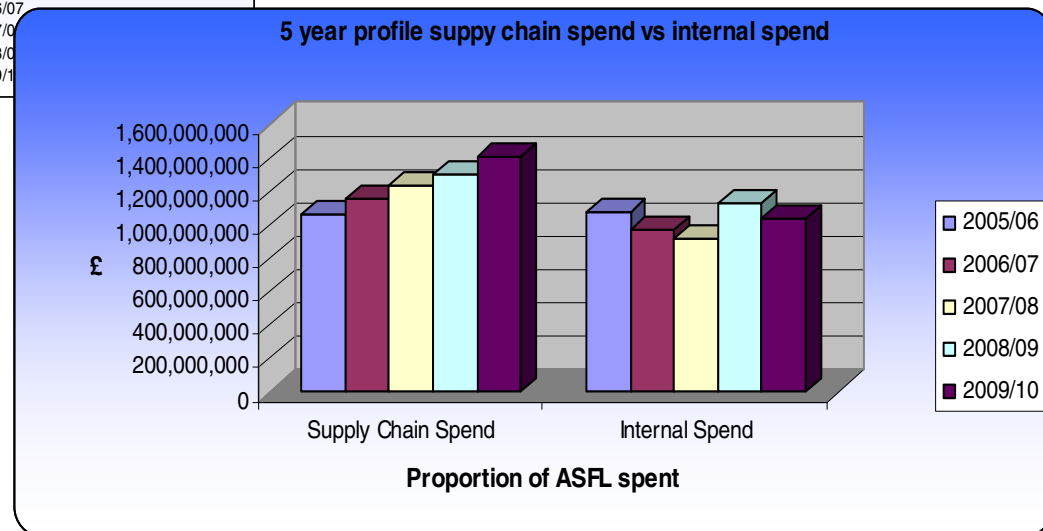
Split of Supply Chain Spend 07/08 to 09/10
(Percentage of spend across NDA Estate)



Supply Chain Spend 2009/10



Year on Year spend in the Supply Chain has been increasing



'Top 10' Suppliers 2009-10

	Contractor	total value	DSRL	LLWR	MXS	MXN	RSRL	Sell	Spri
1	Costain				2	3		1	
2	Capita Resourcing							2	
3	National Nuclear Laboratory			5				3	2
4	Nuvia		1				1	5	
5	Doosan Babcock					7		4	
6	Civil Nuclear Constabulary		2			10	2		6
7	VT Nuclear Services Ltd				10	8		7	
8	CSC Computing						7		5
9	Morson Human Resources Ltd		8		1	1			
10	Hertel							9	
11	AMEC Nuclear UK Ltd							10	
12	Balfour Beatty Civils							6	
13	Nuclear Decommissioning							8	
14	BNS Nuclear Services		4						
15	Reactor Sites Management				2	5			
16	Serco			7		6			
17	Jacobs Engineering UK Ltd				5				
18	Aker Solutions E&C					2			
19	UKAEA Ltd		6				5		
20	Johnson Controls Ltd		3				10		

Key

£50-100M	
£35-50M	
£25-35M	
£20-25M	
£15-£20M	
£10-15M	
£5-10M	
£1-5M	
<£1M	
Not Top 10	

Supply Chain Charter

Supply Chain Charter

This Supply Chain Charter aims to improve relationships, planning and performance through all tiers of the supply chain supporting the NDA estate.

The main principle behind the charter is for all levels of the supply chain to 'be a good client'.

All suppliers are encouraged to flow this Charter to their suppliers.

The NDA Estate

The Nuclear Decommissioning Authority (NDA) is a Non-Departmental Public Body (NDPB) established under the Energy Act of 2004 with the mission to decommission and clean up the 19 civil nuclear sites in the public sector, the long-term management arrangements for the UK's higher radioactive wastes and developing UK-wide nuclear Low Level Waste (LLW) strategy and plans.

NDA places certain contracts, but day-to-day management and delivering the 19 site programmes is the responsibility of seven Site Licence Companies (SLCs). The SLCs directly contract with the supply chain for the goods and services they need to meet their programmes.

When working within the NDA estate supply chain, suppliers are encouraged to bring innovation, challenge costs and look for more efficient ways of working to continually demonstrate best possible value for money and improve delivery.

Working In Partnership



Supply Chain Charter

Fostering good working relations across the Supply Chain within the NDA Estate

Why do we need it?

- **Feedback from suppliers indicated improvements that were desirable at the Tier 2, 3 and 4 levels of the Supply Chain**
- **Benchmarked in external industries, ie: Oil & Gas**
- **Aims to help deliver:**
 - **For all levels of the supply chain to be a ‘good client’**
 - **To foster good working relations**
 - **Improve planning & performance through all tiers**
 - **Better all-round communication**
 - **Mutually beneficial relationships**
- **www.nda.gov.uk/contracts/supply-chain-charter**



Supply Chain Charter – What is it?

- **Boost relationships**
- **Developed with all SLCs**
- **For all organisations in supply chain**
- **Based on a series of simple principles:**
 - **Relationships**
 - **Planning**
 - **Performance**
- **Asks for a formal commitment to the Charter by each organisation**



Supply Chain Strategy Underpinning Principles

- Transparent, timely, consistent
- Easily available Procurement Plans and tender information
- Assist SMEs with better information
- Key/Critical Supplier information
- Supplier Days/Meet the Buyer
- Supplier Network
- Route for complaints
- Procurement statistics
- Support other Gov Depts
- Promote the NDA portfolio

- Reduce barriers to entry
- Early Contractor Involvement
- Partnering
- Sustainable procurement
- Supply Chain mapping
- Socio-economic impacts
- **Supply Chain Charter**
- Improve HSSE, Skills

- Share best practice
- Support development of consistent processes

- Increase consistency of tendering processes
- Reduce cost and time for bidding
- Improve consistency of terms and conditions

- Development programmes
- Share information
- Common processes
- Best Practice

