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Dear Adrian

Discussion on the Future of the Windscale Nuclear Licensed Site

Thank you for attending the recent Chairman's sub-committee convened to discuss your letter of 4th August 2006. I am grateful that you have given us the opportunity to input into your discussions, and hope that the views outlined in this letter will help you to formulate your approach.

I have summarised the discussions under the headings of process and examination of issues before addressing the four points on which you asked for the WCSSG's views.

1 Process

The sub-committee has concerns about the overall process used to seek and evaluate views on this issue. Whilst recognising that this is not a formal consultation, we are concerned that the process does not have the openness and transparency that we have come to expect from NDA stakeholder engagement, and the time allowed for input is too short for meaningful contribution. The declared timescale for making a 'final decision' on this issue is also considered inadequate.

There is a concern that the information contained in your original letter was insufficient to generate discussion, and the rationale for examining the option of amalgamation was not clearly articulated. Given the recent pronouncement of the House of Commons Trade & Industry Committee ("Experience shows the uncertainties and difficulties such restructuring can cause. Reorganisation is not the best way to retain and attract skills or to give stability and confidence to the wider public, including private sector investors at a time when new build is being discussed"), the sub-committee wishes to be assured that the proposals under discussion have a full justification of cost versus benefit.

The group had the impression that the NDA had a preferred option. You clearly stated that the NDA was articulating a “reference proposal” only; however, the perception remained that the starting point of dialogue was biased.

There was also a concern that there was no information on the criteria the NDA would use to judge options.

The sub-committee would like to make the following suggestions to address these concerns:

- the process needs to be more clearly defined and should include an explanation of the scope for stakeholder views to affect the NDA’s decision
- there should be greater clarity of the issues of concern that the NDA is seeking to resolve.

2 Examination of issues

The sub-committee feels that the information available does not provide a sufficient explanation of the drivers underpinning the NDA’s reference proposal. Members would like to make the following suggestions:

- the NDA should clearly articulate its concerns regarding boundary issues
- these should be underpinned by qualitative and quantitative analysis
- the range of options under consideration should include status quo with greater flexibility to amend the boundary between the two sites.

You asked for views on four specific issues, namely the principle of amalgamating the Windscale and Sellafield sites; alternative approaches for achieving the benefits of integration; the timing for any amalgamation; and how best to implement any amalgamation.

The sub-committee is not opposed to amalgamation in principle, but feels that a clear, demonstrable argument needs to be articulated before a definitive response can be provided. There is a concern that the claimed benefits of amalgamation have not been shown to justify possible disbenefits.

A number of risks were identified and would need to be addressed to allay concerns:

- possible destabilisation of existing relationships
- impact on people and culture, and knock-on effects on safety
- potential impact on ability to deliver the Windscale work scope
- loss to the site of UKAEA’s experience in decommissioning as a specialism
- employee fears regarding pensions, terms and conditions etc.
- unquantifiable delays to present programmes during changeover period

The sub-committee felt it had insufficient information to address issues relating to alternative approaches, timescales or implementation.

The sub-committee would like to understand other issues relating to the potential amalgamation of the two sites, such as socio-economic impacts and mechanisms for ensuring safety during any transition process.

We would also appreciate an exploration of the apparent inconsistency between proposals to amalgamate Windscale into Sellafield whilst separating out Calder Hall.

As stated earlier, this response is not intended to dismiss the possibility of amalgamation, but simply to request a clearer articulation of the arguments and greater input into the discussions. We would like to propose a more broad-based consultation should you decide to take forward any option other than the status quo.

Yours sincerely

David Moore
Chairman, WCSSG