



## Welsh Affairs Committee

### Inquiry looking at nuclear energy in Wales – August 2022

#### 1 Terms of reference

The UK Parliament's Welsh Affairs Committee is inviting written submissions, addressing the questions below.

#### 2 NSSG responses

##### 1. What role can, or should, nuclear power play in achieving net zero and UK energy security?

While the Nuclear Skills Strategy Group concentrates on issues relating to people and skills, we have responded to the Government's Energy Security Strategy to confirm that the nuclear sector should have a strong long-term role in the UK's energy mix to ensure we meet our net zero carbon and security ambitions.

##### 2. What are the main challenges to delivering the UK Government's commitment to bring at least one large-scale nuclear project to final investment decision by the end of this Parliament?

The Nuclear Skills Strategy Group is focused on the strategy to provide a suitable supply of skilled and experienced people to meet the needs of the nuclear sector over the coming years.

From this point of view, the challenges highlighted by our most recent Nuclear Workforce Assessment and our Strategic Plan include:

**Certainty of nuclear programme** – All projects related to new nuclear build have significant lead times and considerable initial investment. This includes preparation of the "pipeline" of developing skilled and competent people. For this reason, uncertainty about the plans for new nuclear build prevents timely decision-making and causes knock-on delays in prime organisations and the supply chain.

**Volume of recruitment** – Current industry scenarios predict peak net inflow into the sector of 6-10,000 people per annum over the coming years, covering replacement demand, expansion operation demand, and an itinerant construction workforce. This is double or triple current levels. The roles these people will fill will be a mixture of nuclear-specific, general engineering and scientific, and construction.

**Competition from other sectors** – Demand for engineering and technical roles remains high in multiple sectors in the UK economy, and the demand in our sector is set against an already-existing general shortage in of people with the suitable skills and training to fill them. There are similar requirements in the construction workforce, at a time when other

large-scale infrastructure projects also have their own requirements. These factors provide the challenge that our assumptions about transferability from other sectors might vary dependent on market conditions elsewhere.

**Equality, Diversity and Inclusion** – Given the pressures to recruit and retain sufficient suitable people as above, it is essential that potential good employees are not deterred from entering or remaining in the sector. The NSSG has identified ED&I as a key priority for the sector and has a specific ED&I Strategy to help address issues collectively, in conjunction with the strategies in place for individual employer organisations.

### **3. How important is the finance model to ensuring a successful nuclear project, and is the regulated asset base (RAB) model the best one to deliver this?**

While the Nuclear Skills Strategy Group concentrates on issues relating to people and skills, the issue of funding does affect certainty of planning as we have noted elsewhere in this response.

### **4. What practical steps can the UK Government take to support the nuclear industry in developing a range of nuclear technologies, including small modular reactors?**

1. Improve certainty on the UK nuclear programme by creating and publishing a credible 'nuclear delivery strategy' setting out a schedule of key nuclear activities
2. Create a single (Civil & Defence) view of current and future skills needs to shape skills strategy, guide interventions and inform decisions on scheduling of activities.
3. Invest in commissioning studies on the future skills mix to inform skills strategy and recruitment
4. Significantly scale up apprentices and graduate trainees in public sector bodies and those in the private sector with existing relationships/contractual arrangements. This has the potential to generate a skills pipeline of younger entrants to the wider market.
5. Create a government-sponsored pool of apprentices whereby HM Government is the initial employer. Provided funding to support salary costs while apprentices are rotated through multiple sites (Civil, Defence, new build, decommissioning) to build a wide skill set.
6. Develop and make available nuclear modules that can be delivered within existing undergraduate programmes to interest students in potential careers in the sector
7. Review security requirements and fund vetting process improvements
8. Commission a review to identify specialist skills at risk of falling below demand, and utilise a similar approach to the Alpha Resilience Capability (ARC) programme to ensure their survival, including a focus on knowledge transfer and work shadowing
9. Renew & expand funding for existing nuclear Centres for Doctoral Training within the HE sector
10. Create and fund apprenticeships at the highest levels, including PhD level

11. Ensure there is relevant school curriculum material and resources across the UK about the Civil and Defence nuclear sectors to support teaching in primary and secondary education
12. Ensure there are appropriate resources for career advisors to highlight career paths in the sector from construction jobs up to highly specialised nuclear scientists
13. Set diversity targets in government contracts with clear incentives to drive greater diversity into the sector. Targets may need to be reflective of the diversity mix of local populations.

**5. What would the likely cost be to the taxpayer of the UK Government supporting the development of a new nuclear power station at Wylfa?**

**6. What is the potential economic impact for Wales of a new nuclear power station at Wylfa?**

While we do not have specific figures for the economic impact in North Wales, we do know that jobs in the nuclear sector and its supply chain are typically well-paid, highly-skilled and offer good long term stability compared to those in the economy as a whole.