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**Enforcement**

Basis for enforcement decision in relation to failure of AWE to establish and implement adequate arrangements for the control of changes to management systems important to safety.

**Project Assessment Report ONR-OFP-PAR-16-019  
Revision 1  
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### EXECUTIVE SUMMARY

This Report summarises ONR findings in relation to the failure of AWE to establish and implement adequate arrangements for the control of changes to management systems important to safety.

#### **Background, assessment and inspection work carried out by ONR**

Under LC17(1), AWE has a duty to establish and implement management systems which give due priority to safety. The AWE management system is a suite of documentation that includes policies, management arrangements, standards, company processes, procedures and guidance. AWE management system standards are the top level documents describing the arrangements for compliance with site licence conditions.

An enhanced compliance inspection was conducted by ONR during October 2016 to examine AWE's compliance with LC17. This included an examination of arrangements for the control of changes to management systems documentation important to safety. This area was targeted as a result of shortfalls identified by ONR throughout a number of interventions against various licence conditions over a period of 2 years.

During the LC17 inspection, ONR judged that AWE did not demonstrate adequate control of changes to management systems documentation important to safety and rated the inspection "RED" in accordance with the ONR Inspection Rating Guide. The judgement was based on evidence of an inadequate process, inadequate implementation of the process and historic evidence of inadequate control of changes to documentation. At the closing meeting of the inspection, AWE was informed that ONR would progress the findings through the Enforcement Management Model (EMM) as required by the ONR Inspection Rating Guide.

#### **ONR Assessment Process and Findings**

For this project assessment report, ONR takes into account findings from several relevant licence condition compliance inspections over a period of 2 years and insufficient progress of a relevant regulatory issue. ONR judges that shortfalls identified during inspections of AWE could potentially produce further shortfalls during AWE's ongoing management system improvement programme and this has also been taken into account. The assessment has been made against relevant good practice described in ONR guidance at ONR Technical Inspection Guide NS-INSP-GD-17 Revision 3, "Management Systems".

ONR judges that AWE has breached Licence Condition 17(1), "Without prejudice to any other requirements of the conditions attached to this licence, the licensee shall establish and implement management systems which give due priority to safety".

The EMM was applied in accordance with ONR process. The three key stages were considered i.e. the Initial Enforcement Expectation (IEE), followed by the assessment of Dutyholder Factors and finally the review of Strategic Factors.

The IEE identified that a letter was the appropriate course of action due to AWE's inadequate implementation of established standards. When Duty Holder Factors were taken into account, the enforcement recommended by the EMM was to issue an Improvement Notice. This was due to the history of previous enforcement and a lack of confidence that the issue of a letter would achieve sustained compliance with the law. A review of Strategic Factors concluded that issuing an Improvement Notice was the appropriate enforcement action to bring the duty holder back into compliance.

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This report, including its conclusions and recommendations, has been subject to consultation and advice from ONR's Legal Advisory Service.

### Conclusions

This report presents the arguments to demonstrate that shortfalls identified over a period of 2 years have resulted in a breach of Licence Condition 17(1). Relevant good practice requires adequate control of changes to management systems documentation and ONR judges that AWE has failed to demonstrate implementation of suitable and sufficient arrangements.

An additional concern is that the lack of a robust process for control of changes to management systems documentation is an inadequate foundation for an ongoing major improvement project at AWE which will involve changes to documentation important to safety.

Continued lack of implementation of an adequate process for control of changes to management systems documentation represents a risk of further breaches of LC17 and could potentially result in breaches of several other licence conditions. ONR judges that this has significant potential to adversely affect safety.

ONR has taken appropriate action over a period of 2 years to influence AWE and promote compliance with the licence conditions. ONR is of the opinion that AWE has failed to address the root cause and implement preventative action and as a result, ONR has had to consider taking formal enforcement action. Application of the ONR Enforcement Policy Statement (EPS) and EMM results in the recommendation to serve Licence Condition 17 improvement notices on AWE at both the Aldermaston and Burghfield sites.

### Recommendations

This report recommends that:

1. ONR should serve Improvement Notices under Licence Condition 17(1) on AWE plc at each of the following premises:
  - Atomic\_Weapons Establishment, Aldermaston – Nuclear Site Licence No. 77 (Improvement Notice ref IN/ONR/2017/AMR/001)
  - Atomic Weapons Establishment, Burghfield – Nuclear Site Licence No. 78A (Improvement Notice ref IN/ONR/2017/AMR/002)
2. AWE plc must establish an adequate and timely improvement plan with ONR to address shortfalls under Licence Condition 17(1) as identified in the Improvement Notice Schedule.
3. AWE plc should consider associated guidance identified in the Improvement Notice covering letter.
4. AWE plc must agree with ONR a reasonable and acceptable timescale for the implementation of the improvement plan.

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### LIST OF ABBREVIATIONS

AWE	Atomic Weapons Establishment (AWE plc)
EMM	Enforcement Management Model
EPS	Enforcement Policy Statement
IEE	Initial Enforcement Expectation
IEA	Indicated Enforcement Action
LC	Licence Condition
NSC	Nuclear Safety Committee
ONR	Office for Nuclear Regulation
PAR	Project Assessment Report
RGP	Relevant Good Practice
TIG	Technical Inspection Guide (ONR)

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### PURPOSE OF REPORT

1. This report presents the evidence to support ONR's enforcement decision with respect to the breach of LC17 (1) by AWE.

### BACKGROUND

2. LC17 (1) requires AWE to establish and implement management systems which give due priority to safety.
3. An enhanced LC17 compliance inspection by ONR targeted the AWE process for control of changes to management systems documentation. This area was chosen as a result of evidence obtained over a period of 2 years across a number of licence conditions, demonstrating that AWE had failed to establish and implement suitable and sufficient arrangements for the control of changes to management systems documentation important to safety.
4. During the 2 year period, ONR communicated concerns to AWE, verbally and in writing regarding recurrent shortfalls in control of changes to management systems documentation and in some instances obtained evidence of local corrective action. However, ONR is of the opinion that AWE has failed to address root cause and take appropriate preventative action at both AWE licensed sites.
5. AWE is implementing a major improvement programme to its management systems documentation. This includes making changes to documentation important to safety. ONR is satisfied with some aspects of AWE's improvement programme, but is concerned that the extant process for making the changes is both inadequate and poorly implemented.

### RELEVANT ONR INTERVENTIONS

6. A regulatory issue regarding inadequate control of changes to management systems documentation was raised by ONR in October 2014. This arose due to concerns that implementation of the revised categorisation of change process would not be adequate to address the requirements of LC20, "Modification to Plant under Construction". ONR regularly followed up this regulatory issue with AWE at site interventions but insufficient progress was demonstrated. In August 2016, AWE claimed that the issue was closed. ONR judged that resolution was still outstanding as the root cause and preventative action had not been established.
7. Shortfalls in the control of changes to management systems documentation were found in a number of compliance inspections [Ref 1] carried out between July 2015 and September 2016. These shortfalls were documented in intervention records against a number of licence conditions which were shared with AWE. There is some evidence of local corrective action, but recurrence of shortfalls found during inspections indicates that root cause and the necessary action had not been adequately addressed at both AWE licensed sites.
8. As a result of the findings in the regulatory issue and inspections outlined above, an examination of AWE's arrangements for the control of changes to management systems documentation important to safety was included in an enhanced inspection against LC17 carried out in October 2016. The enhanced inspection was informed by the ONR Technical Inspection Guide NS-INSP-GD-17 Revision 3, "Management Systems" [Ref 2]. The key findings were:

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- AWE corporate arrangements for the control of changes to management systems documentation were judged to be inadequate. This judgement was based on the lack of an appropriate grading system for changes to documentation. Additionally, while ONR accepts the principle of efficient regulatory compliance arrangements, a shortfall was found in the governance of reducing the regulatory burden of Health and Safety written arrangements on the business.
  - Implementation of the arrangements was sampled. Significant shortfalls were identified in changes to licence condition compliance documentation and to corporate management arrangements. Evidence obtained demonstrated a lack of accountability and inadequate internal AWE stakeholder engagement.
9. At the conclusion of the enhanced LC17 inspection, ONR judged that AWE did not demonstrate adequate control of changes to management systems documentation important to safety and rated the inspection “RED” in accordance with the ONR Inspection Rating Guide [Ref 3]. The judgement was based on evidence of an inadequate process, inadequate implementation of the process and historic evidence of inadequate control of changes to management systems documentation important to nuclear safety.
10. During the closing meeting of the enhanced inspection, AWE was informed that ONR would progress the inspection findings through the Enforcement Management Model (EMM) [Ref 4] in accordance with the ONR Inspection Rating Guide.
11. As part of this assessment, ONR examined a further sample of AWE’s arrangements for licence condition compliance. The area targeted was control of AWE’s approved arrangements under LC13, “Nuclear Safety Committee”. The Terms of Reference (ToRs) for the Nuclear Safety Committee (NSC) is an approved document and once approved by ONR, no alteration or amendment can be made without a new approval from ONR. ONR found that changes made to AWE’s licence condition compliance arrangements had not taken appropriate account of the control of the approved NSC ToRs. The result of this is that the NSC ToRs are no longer referenced in AWE’s Licence Condition compliance arrangements, although they remain extant in the management system. ONR’s findings related to the NSC ToRs were immediately communicated to AWE and corrective action is being considered by AWE [Ref 5].

### **RGP FOR THE CONTROL OF CHANGES TO MANAGEMENT SYSTEMS DOCUMENTATION**

12. This report takes into account relevant good practice identified in the following national and international guidance:
- ONR Safety Assessment Principles [Ref 6] published on the ONR website in order to provide regulatory guidance to licensees. The relevant safety assessment principle is in MS.1 - Leadership. This provides the following guidance on management systems:
    - “The management system should give due regard to safety, and safety should be considered explicitly when developing and implementing any new arrangements for managing the organisation. An integrated management system should be adopted so that the potential for conflicts between the organisations’ goals and responsibilities is minimised. The management system should:
      - a) Be based on national or international standards or equivalent

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- b) Be aligned with the goals of the organisation and contribute to their achievement
  - c) Be subject to regular review, seeking continual improvement; and
  - d) Support a positive safety culture
- ONR Technical Inspection Guide NS-INSP-GD-017 Rev 3, “Management Systems”. The purpose of this guidance is to facilitate a consistent and effective approach to Licence Condition (LC) 17 compliance inspections. It is used by inspectors during the course of their duties and is also published on the ONR website.
  - IAEA Safety Standard GSR Part 2 “Leadership and Management for Safety” [Ref 7]. ONR considers that a Licensee should be able to show that it either uses this standard or that its arrangements meet the expectations of the standard.
  - International standard ISO9001:2008 [Ref 8] meets some of the relevant good practice in GSR Part 2. ISO 9001:2008 is taken into consideration in this assessment as AWE is certificated to this standard by a UKAS accredited third party certification body. The standard mandates a documented process for “Control of Documentation”.
13. Regulatory expectation is for AWE to establish and implement an adequate process for the control of changes to management systems documentation. It is also a regulatory expectation that this process is periodically reviewed for continued applicability and that implementation of the process is regularly assessed. These expectations are consistent with relevant good practice.

### THE ONR ASSESSMENT PROCESS AND ASSOCIATED FINDINGS

14. The key processes and requirements that shape enforcement action undertaken by ONR during regulatory activities are included in the EMM and the EPS [Ref 9]. These were applied to inform the enforcement decision addressed within this report.
15. The EMM process that underpins this PAR forms an Initial Enforcement Expectation (IEE) based upon defined, established and/or interpretative standards. Dutyholder factors are then applied to the IEE that may modify the IEE to a different Indicated Enforcement Action (IEA). Finally Strategic Factors are applied including how the IEA correlates to the requirements of the EPS.
16. The IEE from this application of the EMM was provided at Ref 1. This identified that a letter was the appropriate course of action. This was due to inadequate compliance with established standards. The established standards were GSR Part 2 and ISO9001:2008. When Duty Holder Factors were taken into account, the enforcement recommended was the issue of an Improvement Notice. This was due to the history of previous enforcement detailed in this report. A review of Strategic Factors concluded an Improvement Notice would be the appropriate action to bring the duty holder back into compliance.

### CONCLUSIONS

17. This report presents the arguments to demonstrate that significant shortfalls in control of changes to management systems documentation have resulted in a breach of LC17 (1).

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18. Evidence demonstrating shortfalls in the control of changes to management systems documentation gathered during ONR site interventions over a period of two years has been taken into account in this assessment. ONR judges that AWE has failed to take the opportunity to adequately address the root cause and ensure preventative action is implemented throughout the organisation. This outcome is not in line with relevant good practice or regulatory expectation.
19. ONR is concerned that the existing process for control of changes to management systems documentation does not provide an adequate foundation for a major improvement project, which includes changes to documentation important to safety. Continued lack of implementation of an adequate process represents a risk of further breaches of LC17 and could result in breaches of other licence conditions. ONR judges that this has significant potential to adversely affect safety.
20. ONR has taken appropriate action across a number of licence conditions over a period of 2 years to influence AWE and promote compliance with the law. ONR is of the opinion that AWE has failed to adequately address the root cause and implement preventative action and therefore has had to consider taking formal enforcement action.
21. The application of the EMM concludes that the issue of an Improvement Notice is the appropriate enforcement action. The AWE management systems apply at Aldermaston and Burghfield. These sites operate with separate nuclear site licences. In this instance it is therefore considered necessary to serve two similar improvement notices.
22. The recommendations in this report will be managed using the ONR issues database.

## RECOMMENDATIONS

23. This report recommends that:
  - ONR should serve Improvement Notices under LC17(1) on AWE plc at each of the following premises:
    - Atomic\_Weapons Establishment, Aldermaston – Nuclear Site Licence No. 77 (Improvement Notice ref IN/ONR/2017/AMR/001)
    - Atomic Weapons Establishment, Burghfield – Nuclear Site Licence No. 78A (Improvement Notice ref IN/ONR/2017/AMR/002)
  - AWE must establish an adequate and timely improvement plan with ONR to address shortfalls under Licence Condition 17(1) as identified in the Improvement Notice Schedule.
  - AWE should consider associated guidance identified in the Improvement Notice covering letter.
  - AWE must agree with ONR a reasonable and acceptable timescale for the implementation of the improvement plan.

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### REFERENCES

1. EMM1 for AWE plc; TRIM ref 2017/27780
2. ONR Technical Inspection Guide NS-INSP-GD-017 Rev 3, "Management Systems"; [http://www.onr.org.uk/operational/tech\\_insp\\_guides/index.htm](http://www.onr.org.uk/operational/tech_insp_guides/index.htm)
3. ONR Inspection Rating Guide; <http://www.onr.org.uk/intervention-records/index.htm>
4. Enforcement Management Model; <http://www.hse.gov.uk/enforce/resources.htm>
5. Level 4 meetings on LMfS topics; TRIM ref 2017/34863
6. ONR Safety Assessment Principles; <http://www.onr.org.uk/saps/index.htm>
7. IAEA General Safety Requirements GSR Part 2; <http://www-pub.iaea.org/books/iaeabooks/11070/Leadership-and-Management-for-Safety>
8. ISO9001: 2008 Quality Management Systems – Requirements
9. ONR Enforcement Policy Statement; <http://www.onr.org.uk/enforcement.htm>

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