



One NDA Local Social and Economic Impact Practitioners' Guidance – Grant funding

JUNE 2020

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*Throughout this document we use the terminology **NDA group** this refers to Dounreay Site Restoration Ltd, Low Level Waste Repository Ltd, Magnox Ltd, the Nuclear Decommissioning Authority and Sellafield Ltd.*

1. Introduction

- 1.1 This guidance has been developed to ensure that people who administer NDA socio-economic¹ funding follow a common, rigorous and evidence-based approach to managing, measuring and reporting on our activity and outcomes.
- 1.2 It sets out a standardised set of processes as well as common definitions and standards. It follows Cabinet Office guidelines as set out in 'Managing Public Money' and 'Government Functional Standard for General Grants' which are intended to provide transparency, better achievement against objectives and value for money, but adapts these to reflect the circumstances, in particular the legal basis, for the NDA group work.
- 1.3 Whilst this guidance is intended for internal use within the NDA Group, it has been published to encourage transparency and joint working between stakeholders. This document will be regularly reviewed and revised as appropriate, and we welcome any views and suggestions for improvement.
- 1.4 This guidance is mandatory for all organisations using the NDA's Socio-economic powers (as set out in section 10(2)d of the Energy Act (2004)) . Any exceptions to that rule are set out in this guidance.

¹ The term Socio-economic funding also covers social impact, economic development, community investment, community benefit, social value etc and other funding for social, economic and environmental interventions.

1.5 The approach described in this document should result in:

- Better project selection: ensuring those proposals to support NDA group objectives;
- Better measurement of outcomes: An ability to objectively measure and report upon how we positively impact upon the social and economic effects of our decommissioning activity;
- Better reporting: scaling up of the reporting to a Group level, giving a more accurate reflection of the significant social impact being made across NDA communities;
- Better communications: An improved internal profile for Socio-economics which will support us in the next stage of mainstreaming Socio-economics into our day-to-day decision-making; moving us towards a point where we apply Socio-economic considerations to all NDA spend in the future;
- An improved reputation and improved stakeholder relations.

1.6 The NDA was given both a duty and a power with regard to the social, economic and environmental life of its communities; with the intention of minimising the adverse impact of its decommissioning. These obligations are described in s.7(1) of the Energy Act 2004, which states:

'the NDA shall have the [supplemental] function, to the extent that it considers it appropriate to do so, of...giving encouragement and other support to activities that benefit the social or economic life of communities living near designated installations, designated sites or designated facilities or that produce other environmental benefits for such communities'.

1.7 The NDA's function in this regard is underwritten in s.10(2)d of the Energy Act, which states: 'the powers of the NDA include, in particular, power to make grants or loans to persons undertaking activities that benefit the social or economic life of communities living near designated installations,

designated sites or designated facilities or that produce other environmental benefits for such communities’.

- 1.8 The Energy Act (2004) also stipulates that the NDA has a general duty in carrying out its functions to take account of relevant Government policy, safeguarding the environment, health and safety and nuclear security (this is set out in section 9 of the legislation). This also covers some more detailed provisions which this guidance is designed to pick up.
- 1.9 The NDA’s socio-economic function was written into the Energy Act in the light of the experiences of the coal-mining communities after the large-scale pit closures in the 1980s. Forty years later, those communities still suffer a disproportionate amount of unemployment, lack of economic opportunity, ill-health, poor educational attainment, and poor social outcomes. However, there are significance differences between the experience of coal-mining and nuclear communities, meaning different types of support are required.
- 1.10 The funding provided by the NDA is intended to ensure that our communities avoid adverse outcomes. We want to take a strategic, longer-term perspective and ensure decisions are focused on transformative outcomes, issues of evidenced need and opportunity.
- 1.11 This guidance covers three categories of funding:
- **Large projects** – NDA contribution over £200,000
 - **Medium projects** – NDA contribution between £10,000 and £200,000
 - **Small, also called good neighbour, projects** – NDA contribution up to £10,000
- 1.12 These thresholds will be kept under review, consulted upon and changed if necessary.

- 1.13 Our funding principles apply to all three of these categories, but we will apply our governance proportionately. The amounts above refer to the NDA's contribution to projects.

2. Framework for grant funding decisions

- 2.1 We have developed a framework based on the National Audit Office criteria for Value for Money and adapted to our work in the local community. All of the NDA's work needs to represent value for money for the taxpayer and so needs to demonstrate:

- **Economy** - the minimum use of resources to achieve specified outcomes;
- **Effectiveness** - the relationship between outputs, e.g. services, and the resources used to produce them;
- **Efficiency** - the extent to which objectives are achieved and the relationship between intended and actual impacts of a service.

Our process of grant funding needs to follow this framework. To measure economy, we need to understand what outcomes we are trying to achieve and be able to measure them.

Assessing needs and specifying outcomes

- 2.2 Our Local Social and Economic Impact Strategy sets out some site by site priorities. It has been drawn up in consultation with local authorities and other stakeholders and sets our main priorities. Our starting point is that activities featured in the strategy meet local needs and therefore we will prioritise projects and programmes which feature in or align strongly with the strategy.
- 2.3 However, there may be other opportunities that the NDA could fund or part fund that go beyond these, but is limited by its legal vires in the Energy Act

(2004). The NDA will therefore consider funding projects within the following themes:

- **Resilient economies** - projects or programmes designed to enable and support the conditions for local economic output, improved productivity and growth.
- **Thriving communities** - projects or programmes designed to enable and support the conditions for social cohesion, supporting disadvantaged groups and other social benefits.
- **Sustainable Incomes** - Access and aspirations to work to improve through a programme of high impact education, skills, personal development and employability support activities.
- **Sustainable growth** projects and programmes focussed on environmental improvements and environmental sustainability.

Projects supported could also be self-standing and independent of the NDA's activities, which seek to maximise local benefit from its core decommissioning functions. Examples might include: projects linked to NDA's Research & Development (R&D) expenditure, projects linked to NDA's supply chain work, projects linked NDA's transports and logistics work, property and asset management, people strategy, skills programmes or information governance. The NDA's socio-economic strategy includes a section on local projects and initiatives (section 5). We will be particularly support of projects in this section or which align with this section.

- 2.4 All projects funded by the NDA group should report on outcomes. We use a methodology called TOMs to standardise these measures. TOMs stands for Themes, Outcomes and Measures.
- 2.5 The Measures describe specific, quantifiable activities that will support the delivery of the Outcomes. The value of the grant will determine the number of measures that are required and monitored over the lifetime of the intervention. The table in section 2.6 below sets out measurement requirements.

- **Large:** A Full TOMs analysis required. All relevant TOMs assessed, Project-specific report produced
- **Medium:** Between 1-4 measures, depending on spend and expected impact
- **Small:** No TOM analysis required, but outcomes should be reported on.

2.6 We have set out the TOMs that we use below for clarity. Our online forms ask applicants to select the TOMs they think are relevant and to put in expected values for them (small project are excluded and medium sized projects need only apply 1-4 measure). These measures are used as part of project selection and approval. Approval panels may decide to change the expected outcomes if they think the applicant's assessment is either too pessimistic or optimistic. Once projects are approved, applicants will be expected to report against the TOMs until project completion.

Themes	Measure
Sustainable Incomes	Employment - expressed as number of people employed locally per year (converted into full-time equivalents)
	Employment – percentage of people living locally employed by the project per year (converted into full-time equivalents)
	Employment - graduates retained in the local workforce two years after completing a graduate training programme (numbers of people)
	Employment - number of people employed who were previously unemployed for a year or longer
	Employment – number of people who were not in employment, education, or training (NEETs) who have a job as a result of the project
	Employment - number of people employed as a result of the project who are rehabilitating young offenders (18-24 years old)
	Employment - number of people employed locally as a result of the project who are people with disabilities
	Employability – number of hours dedicated to supporting local unemployed people into work through a co-ordinated programme, by providing career mentoring, including mock interviews, CV advice, and careers guidance -(over 24 years old)
	Employability – No. of hours dedicated to supporting local unemployed people into work through a co-ordinated programme, by providing career mentoring, including mock interviews, CV advice, and careers guidance (16 - 24 years old)

	Employability – Early years primary and nursery support (e.g. breakfast clubs, "brokerage" etc.) provided as a result of the project being funded
	Engagement - General engagement or support to enable general engagement with local young people through educational outreach e.g. delivering careers talks, curriculum support, literacy support, safety talks (No. hours, includes preparation time as a result of the project being funded)
	Education - Number of school pupils involved in the project , annually
	Education - Attainment rates in relation to benchmark (i.e. before project) and the changes to benchmark that you are expecting after the project has finished (expressed as numbers of pupils)
	Education - Attainment gap per Pupil Premium pupil against (local) benchmark (expressed as numbers of pupils)
	Education - Expert, qualified engagement or support to enable expert, qualified engagement through a coordinated programme with [local] young people through educational outreach e.g. delivering careers talks, curriculum support, literacy support, safety talks (No. hours, includes preparation time)
	Education – Number of apprenticeships that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2, 3 or 4
	Education - Number of weeks spent on work placements or pre-employment course for people locally; 1-6 weeks student placements (unpaid)
	Education – Number of weeks spent on meaningful local work placements or pre-employment course (minimum 5 days) for people who are Not in Employment, Education or Training (NEET) (unpaid)
	Education - Meaningful local work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)
Resilient Economies	Business support - provision of expert business advice to SMEs and social enterprises, including business start-ups and micro-businesses (e.g. digital support/financial & business advice/legal advice/HR advice/bid support/H&S, etc) (expressed as hours)
	Economy - Total relevant incremental annual revenue increase for local businesses (expressed as an estimated total)
	Economy - Total relevant incremental annual revenue for local small businesses (expressed as an estimated total)
	Economy - Total relevant incremental annual revenue for Voluntary Community and Social Enterprise (expressed as an estimated total)
	Economy - Attract inward investment into local area, including matched funding
Thriving	Economy - Percentage of contracts with the supply chain on which Social Value commitments, measurement and reporting are required
	Initiatives aimed at making local communities safer or reducing crime or anti-social behaviour (expressed as people reached)

Communities	Initiatives taken or supported to engage people in health interventions (e.g. stop smoking, obesity, alcoholism, drugs, etc) or wellbeing initiatives in the community, including physical activities for adults and children. (expressed as people reached)
	Initiatives or interventions taken to promote good mental health or that increase access to effective mental health support(expressed as people reached)
	Provision of expert business advice to Voluntary Community and Social Enterprise s as organisations and directly to individuals in the community (expressed in hours)
	Equipment or resources donated to Voluntary Community and Social Enterprise s (£ equivalent value)
	Number of voluntary hours donated to support Voluntary Community and Social Enterprise s (excludes expert business advice)
	Donations or in-kind contributions to local community projects (£ & materials)
	Time allowed by organisation for its staff to volunteer in the community
	Voluntary time dedicated to sustainably maintaining and improving public spaces, creation or management of green infrastructure, increasing biodiversity, or keeping green spaces clean
	Percentage of procurement contracts that include sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer.)
Protecting & Improving our Environment	Environment - Savings in CO2 emissions on contract not from transport (specify how these are to be achieved)
	Environment - Car miles saved on the project (e.g. cycle to work programmes, public transport or car-pooling programmes etc)
	Environment - Number of low or no emission staff vehicles included on project (miles driven)
	Environment - Voluntary time dedicated to the creation or management of green infrastructure, to increase biodiversity, or to keep green spaces clean
	Environment - Percentage of procurement contracts that includes sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste and keep resources in circulation longer).

2.7 In the TOMs methodology, most of the measures used are converted into a financial value, using Social Value “proxies” provided by our contractor Social Value Portal. A proxy is a unit through which a measure is converted to a financial value. Proxy values are developed on an individual basis, using relevant statistical data and research. They are kept under review and updated on a regular basis. The current proxies are based on the National

TOMs Framework 2019 provided by our contractor, the Social Value Portal <https://socialvalueportal.com/national-toms/>.

- 2.8 This financial value is an indicator of the overall Social Value that is being delivered by a project, programme or supplier. It should not be taken as an absolute measure of value and does not equate to cash spent. Developing financial values helps with comparative analysis and target-setting. It is a provisional assessment that remains to be validated and cross-examined through other means, including regular reporting and data analysis.
- 2.9 There are also some Measures which are not converted to a financial value, which are considered important to collect but for which a financial value is not considered to be appropriate or robust at this time.
- 2.10 Proxy Values are developed from adaptations of cost benefit analysis and appraisal techniques as outlined in the Treasury Green Book and other relevant public-sector guidelines.

3. Eligible projects

- 3.1 We will only support projects that are near one of our sites. This is generally defined as the district council area where the site is located and, where sites are close to authority boundaries, the neighbouring district council:

- Berkeley (local authority district: Stroud)
- Bradwell (local authority district: Maldon)
- Capenhurst (local authority district: Cheshire West and Chester)
- Chapelcross (county and local authority: Dumfries and Galloway and Carlisle)
- Dounreay (Caithness and North Sutherland)

- Dungeness A (local authority districts: Folkestone & Hythe, Ashford, Rother)
- Harwell (local authority district: Vale of White Horse)
- Hinkley Point A (local authority districts: Sedgemoor, West Somerset)
- Hunterston (local authority district: North Ayrshire)
- Low Level Waste Repository (LLWR) (local authority district: Copeland)
- Oldbury (local authority district: South Gloucestershire)
- Sizewell A (local authority district: East Suffolk Coastal)
- Sellafield (local authority districts: Copeland and Allerdale)
- Springfields (local authority district: Fylde)
- Trawsfynydd (local authority district: Gwynedd)
- Winfrith (local authority district: Dorset)
- Wylfa (local authority district: Isle of Anglesey)

3.2 Within these geographical restrictions, the NDA group can fund local organisations provided they are:

- Constituted community/voluntary/charity groups - local branches of national charities are only eligible money if money raised is spent locally
- State funded education provider or pre-school group (but not all types of expenditure can be supported and nothing which is a statutory obligation of another Authority or Department will be supported)
- Public sector bodies
- A company (but support must be state aid compliant and cannot be used to subsidise a business).

3.3 The NDA group cannot give community funding to private individuals. The section below on the financial case sets out more detail on eligibility and restrictions.

3.4 The following items will be regarded as ineligible spend in any project application:

- Spend that does not meet project objectives
- Expenditure that cannot be measured
- Projected benefits are outside our geographical boundaries
- Religious or political benefit
- Aims are contrary to UK Government policy
- Aims are part of core Government policy/activity
- Paid for lobbying,
 - which means using grant funds to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, Government or political activity; or attempting to influence legislative or regulatory action;
 - using grant funds to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the grant;
 - using grant funding to petition for additional funding;
- Expenses such as for entertaining, specifically aimed at exerting undue influence to change government policy
- Input VAT reclaimable by the grant recipient from HMRC
- Activities that other organisation (eg Local Authority/Local Education Authority/National Charities) have a statutory obligation to provide
- Applications from organisations that previously received NDA funding that did not comply with our conditions (e.g. end of project reports)
- Individual, group sponsorships and other activities raising money for 3rd parties
- Loan payments
- National charities where funding is collected and administered centrally, exceptions may be made where local branches raise and spend their own funding
- Repeat funding requests in the same financial year
- Hospitality, awards sponsorships or the purchase of tables at events

- Prizes or prize draw print costs for fundraising events
- Retrospective projects
- Interest payments or service charge payments for finance leases;
- Gifts
- Statutory fines, criminal fines or penalties
- Payments for works or activities which the grant recipient, or any member of their Partnership has a statutory duty to undertake, or that are fully funded by other sources
- Bad debts to related parties; and
- Payments for unfair dismissal or other compensation

4. Application and information required

4.1 The NDA is an evidence –driven organisation and makes regular assessments of the Social and Economic conditions near its sites. All projects supported by the NDA need to be supported by a written application for funding. When applications are assessed, other than those that are classified as 'small', the NDA will look at five aspects of the application:

- Strategic case
- Economic case
- Commercial case
- Financial case
- Management case

4.2 This 5-case model approach will form the business case for the application. This allows us to assess the likely economy, effectiveness and efficiency of

our funding. There must be an evidence-based assessment. We take a proportionate approach:

- Large applications will be subject to a full business case, in line with the detailed points set out below. The NDA will consider funding feasibility studies and work to develop business cases for large projects provided an applicant makes a robust case (if you are applying for funding for a feasibility study, please use the application form for small or medium applications)
- Medium applications will be appraised according to a summary 5 case model, as prompted in our standard application form
- Small applications will not be subject to a business case, but a limited amount of evidence, as proof of spend and outcome, will be required. The online application form makes clear what information is required. This guidance can be read by applicants for background, but following the online application form should be sufficient. An end of project report will be required

4.3 It is for applicants to complete applications and provide a business case where it is required. The Socio-economic teams in each NDA business will be responsible for ensuring their robustness before submission to the appropriate decision-making committee with their recommendations. Teams can demand further evidence from the applicant and refuse to progress an application where the evidence is not sufficiently convincing. Applications that are incomplete, or insufficiently robust should not progress.

Strategic Case

4.4 The strategic case for funding determines whether the project has a robust case for our intervention, and whether it fits with wider public policy objectives. It specifies the identified problems, how the project addresses these problems

and how the project contributes to solving local problems.

4.5 The NDA will assess evidence to demonstrate:

- The local need/opportunity a project is addressing
- Whether a project features or is aligned with the NDA's socio-economic strategy
- If a project is not featured in the NDA socio-economic strategy, then it needs to align with at least one of the NDA's "themes" and show it can generate measureable outcomes
- The application form or business case needs to set out levels of local support for the projects and how this local support is expressed (for example financial support, in-kind, policy)
- The project is consistent with – and ideally supports - national or local government strategies
- Does not duplicate core activity which is funded by any Government departments or local councils

4.6 All projects are different, and evidence of claims can be presented differently. Suitable forms of evidence may include: Government policy documents, (Indices of Multiple Deprivation data), other economic or social data, financial commitments, evidence from surveys or feasibility studies.

4.7 If a project seeks to make a link to the NDA's general decommissioning activities, then the strategic case should also articulate how these activities could support social, economic or environmental outcomes. An example could be: a project using NDA land that has been decommissioned or a project that links to NDA's internal skills and education budgets.

Economic Case

- 4.8 The economic case for funding assesses the economic costs and benefits of the project to the local community. This is different to financial costs and benefits. It should consider the alternative options for achieving the desired objectives so should include an options appraisal, and a 'do nothing' option. There should be a cost/benefit analysis of each option. This section should include proposed monitoring and evaluation methodology.
- 4.9 The decision-making panels should look for evidence to demonstrate:
- Why NDA support is needed and what the likely economic/social/environmental impacts of a lack of any support are
 - That the applicant cannot fund the project themselves
 - That other methods to achieve the same/similar outcomes have been ruled out
 - That the project is the most appropriate body/route
 - How much of the expected outcomes might happen anyway without NDA support
 - For multi-year projects, whether all costs and benefits are quantified on an annual basis
 - Whether optimism bias is appropriately accounted for
- 4.10 All projects are different, and evidence of claims can be presented differently. Suitable forms of evidence may include: Bank statements, Rejection letters, cost breakdown/quotes, economic/social analysis.

Commercial Case

- 4.11 The commercial case is concerned with feasibility and sustainability and the effect of funding changes on deliverability. It should address any procurement required or purchase of goods or services. It should clarify contractual questions, including contractual milestones and delivery dates.

Responsibility for agreed outputs should be assigned. Risk management should be dealt with here.

- Evidence that the project regarded is feasible and deliverable
- Evidence that the organisation delivering the project is a sustainable, reliable partner
- Clear and credible milestones and delivery dates
- What (if any) procurement is required and is there a procurement strategy
- Identification of risks and a plan to mitigate against them
- Any major dependencies – in other words, whether the project is dependent on any decisions or events outside of the applicant's control.

4.12 Supporting evidence should be included to underpin any statements made.

Financial Case

4.13 The financial case is concerned with issues of affordability and sources of funding, including all expected costs. It deals with contingencies, match-funding and clawback provisions. The financial case sets out:

- The proportion of funding the NDA is being asked to provide in relation to total cost of the project. As a general rule, the NDA will only provide a maximum of 50% of funding, unless there is strong evidence that no other funding is available
- Whether match funding is secured from all parties
- A clear justification if the NDA is first to commit funding
- What contingencies are in place for cost-overruns
- Guarantees
- What claw-back provisions are required

4.14 The financial case should also include information required to minimise fraud and loss. For large projects the NDA may ask to:

- Assess grant risk indicators; including:
 - Grant to revenue ratio
 - Web presence
 - Length of grant period
 - Grant value
 - Type of recipient
 - Turnover of Board members (as appropriate)
 - Potential conflicts of interest
 - Track record
 - Timeliness of financial reporting
 - Address search or use of PO box
 - Plan risk mitigation actions
 - Risk rating
- Conduct due diligence on potential grant recipient; including:
 - Performance
 - Eligibility
 - Basic financial checks
 - Past track record
 - Background of grant recipient
 - Short and medium-term viability of organisation
 - Level of scrutiny proportionate to level of grant/risk
 - For high risk/high levels of grant, consider taking advice from finance/legal etc.
 - Ensuring funding never goes to private individuals

Management Case

- 4.15 The management case is concerned with deliverability. It sets out management responsibilities, governance and reporting arrangements, as well as any gate review and post-project review arrangements. PR and monitoring costs must be budgeted for here.
- 4.16 The NDA will look for evidence that
- detailed delivery plans are in place
 - There are appropriate gates or staged process
 - There is a performance monitoring and reporting system?
 - The application including relevant information on ED&I issues:
 - Does the proposal actively seek to support under-represented groups?
 - Is there a risk that it could be discriminatory?
 - Environmental issues: whether the proposal actively seek to make environmental improvements and whether there a risk that it could be environmentally damaging
 - Does the proposal require project management techniques? Are those skills available to the applicant?
 - What PR and communication do we require? Has the applicant got the necessary skills? Is it already costed?
 - What post-implementation arrangements are in place and is it properly costed?
- 4.17 Suitable evidence may include: Programme of work/plans inc. dates, targets, milestones, ultimate objectives, CVs of those delivering, qualifications, job specs, phased delivery plans to include operation, Legal Compliance Assessment, Regulatory Compliance, policy documents, inc. ED&I, a Communications Plan, an Evaluation Plan.
- 4.18 **Reminder:** An application for funding over £ 200,000 requires a completed on-line application form, an annexed business case and supporting

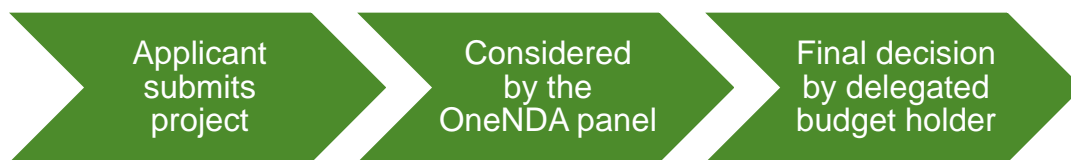
documentation. An application for funding ranging between £10,000 - £200,000 needs a completed on-line application form, supporting documentation but does not require a business case. Applications for less than £10,000 have a lighter on-line application form but still need to show how funding leads to outcomes.

5. Governance

- 5.1 The NDA group has been criticised in the past for complex decision-making for Socio-economic/social impact projects. We apply the same principles of governance to all our funding, but ensure that governance is proportionate.
- 5.2 All large projects over £200,000 are assessed by a “One NDA Socio-economic panel” which is expected to meet approximately 4-6 times per year. It brings together relevant representatives and experts from the NDA businesses. The panel is advisory in nature, and the final decision on funding is taken by the delegated decision budget holder. For Sellafield projects, this is the Sellafield CEO or a person in Sellafield Ltd with the delegated authority, for Magnox projects, this is the Magnox CEO or a person in Magnox Ltd with the delegated authority. For projects funded by the NDA corporate centre, the decision-maker is the NDA CEO or a person with delegated authority. The membership, roles and responsibilities of the panel will be published on the NDA website.
- 5.3 In exceptional cases, and to aid efficiency of the assessment process, the One NDA Socio-Economic panel may be convened on an ad-hoc basis either physically or in correspondence to consider urgent funding requests.

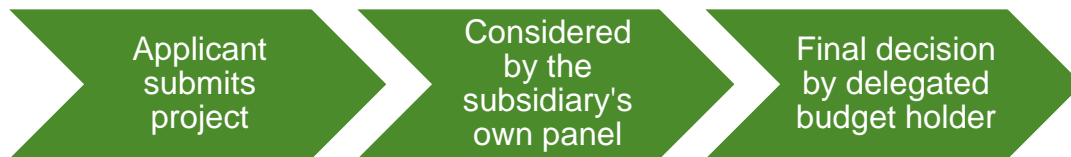
- 5.4 This single One NDA approach means that all decisions are made on the same basis across the estate. This should ensure a wide strategic view and benefit of experience from one another's teams.

Large project over £200,000



Medium projects between £10,000 and £200,000

- 5.5 All medium-sized projects are assessed by a panel made up of people in an individual business. These projects are not reviewed by the One NDA Panel. Again, the panels are advisory. The final decision is taken by the budget holder in the business or an appropriately established, and quorate, committee. For Sellafield projects this is the Sellafield CEO or a person in Sellafield Ltd with the delegated authority, for Magnox projects, this is the Magnox CEO or a person in Magnox Ltd with the delegated authority. For projects funded by the NDA corporate centre, the decision-maker is the NDA CEO or a person with delegated authority.



Small projects up to £10,000

- 5.6 Magnox, Sellafield, LLWR and Dounreay should each have their own “good neighbour panel”. This panel makes decision to fund small projects.



- 5.7 Panels should assess projects in a proportionate manner, in line with the NDA’s standard methodology, which is itself based on the Treasury 5 case model. For all large and medium sized projects, the panels should assess the strategic case, the economic case, the commercial case, and the management case.

Approval and Award

- 5.8 Approved grants should be recorded on and logged on the system along with the supporting documentation. The grant funding agreement and performance measures are agreed between both parties – these should be based on the work done at the Business Case stage and should ensure above all that the grant is used as intended. Performance monitoring requirements and legal expectations should be outlined clearly in order to enhance the effectiveness with which grants can be monitored i.e. providing the facility, through setting

and agreeing clear expectations at the outset, to hold the grant recipient to account for the delivery of the intended outputs.

5.9 A Grant Acceptance Schedule (GAS) should be issued to all recipients. Grant agreements, including those administered through third parties, should clearly state the purpose for which the grant is awarded, provide details of approved activity and set out categories of eligible and ineligible expenditure.

5.10 The key terms and conditions to be covered are set out below.

- a clear description of the scheme/ aims and objectives of the grant
- a clear description of how money should be spent
- eligible expenditure terms, which prohibit paid for lobbying and improper expenses
- data protection policy
- audit/ assurance
- agreed outputs/ TOMs-based KPIs/ milestones
- financial and activity based reporting and validation
- State Aid compliance
- payment model which reflects need and provides terms for suspension and claw-back and grant termination and
- evaluation and lessons learned

Budget Management and Monitoring

5.11 The NDA Local Social and Economic Impact budget will be managed and monitored in line with existing NDA financial and budget management procedures.

5.12 In common with much of the public sector, the NDA works within annual budget allocations. However the NDA will consider multi-year commitments where there is a clear and robust business case and where the project

delivery and spending profile requires it. Likewise budget carry-over may be permitted should the profile of project delivery necessitate it.

6. GDPR

- 6.1 We must inform applicants what data we are collecting and for how long we will retain it. We must obtain their explicit permission to share within the estate and with auditors. Refusal to allow the collection and/or sharing of information would render the application unsupportable.

7. Performance Monitoring:

- 7.1 Throughout the performance monitoring stage, regular reviews of agreed measures - and expenditure shall be conducted and actions taken to address any concerns identified. Data collected will be processed by SVP. A system of exception reporting will be developed. Delivery must be actively monitored by those who awarded the grant. Random audits may be conducted. By actively monitoring delivery we are more likely to detect fraud, track that grants will achieve their intended outputs and provide assurance that expenditure is within the eligible expenditure terms outlined in the grant agreement.

8. End of Project Evaluation:

- 8.1 At the end of a grant's life, an evaluation of the grant should be conducted, financial payments reconciled and lessons learnt disseminated. Complete end of project report. Thorough governance for lessons learned process.

Appropriate PR and publication. Regular post-project review as necessary to monitor longer-term outcomes – this would have been agreed at outset.

9. Roles and Responsibilities

NDA Central Team

- Develops group wide guidance and strategy in consultation with the rest of the NDA group
- Responsible for Group wide reporting
- Maintains Group wide grants management systems
- Helps team comply with policy and guidelines
- Monitors spend and performance
- Exception reporting and enforcement
- Prepares annual estate-wide performance report
- Runs NDA Socio-economic Panel
- Maintains group wide pages on gov.uk
- Develops case studies for publication
- Holds a contingency budget for large or atypical projects

Businesses

- Deliver NDA's Socio-economic duties & powers
- Report quarterly on spend, activity, progress and outcomes
- Maintains positive stakeholder relations with local economic development organisations
- Works with local economic development organisations to develop appropriate interventions
- Prepares annual Socio-economic performance report, submitted to NDA Central team by end-June to cover the activities and outcomes of the previous calendar year

- Run Socio-economic panels in accordance with Business governance standards

One NDA Socio-economic Panel

- Assesses all large applications
- Monitors performance of previously approved applications
- Conducts lessons learned exercises at project end and makes policy/practice changes as a result
- Updates guidance as necessary
- Receives regular reports from all businesses on medium/small project activity
- Makes recommendations to NDA Sanction Committee where delegated authority is insufficient to make a decision

Applicants

- Carries out activities in line with the Grant Acceptance Schedule (GAS)
- Submits documentation as and when requested
- Submits performance reports and supporting evidence as and when requested
- Upon request makes themselves and documentation available for audit
- Engages in PR activities as required
- Submits an end of project report
- Supports the development of case studies as required

10. Supporting Systems

- 10.1 The NDA operates a single grants management system, with business specific accounts. It is an end-to-end process, operating from receipt of an initial query through project monitoring and end-of-project sign-off. It simplifies processes, makes the Socio-economic function easier to manage,

quicker to report upon and more transparent. From the receipt of an initial application to an end of project report – all data and documentation can be and should be held on the system. It automatically sends out performance update and evidence requests and generates a variety of reports.

- 10.2 All Socio-economic practitioners must undergo regular central training around managing public money, governance and economic appraisal, plus any other training necessary.