



Rt Hon Rachel Reeves MP  
Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
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Sent via email

10 September 2024

Dear Rachel

### **Nuclear funding**

We are writing to express our significant concerns about the direction of government nuclear policy and the associated funding decisions.

It is clear that new nuclear development has a key role to play in achieving net zero, as well as underpinning a green industrial strategy and providing good, clean jobs in communities that most need them. Equally, it is essential that the UK's decommissioning mission is completed in a safe and timely manner.

The Government rightly has an ambitious decarbonisation strategy, which can only be delivered with an appropriate level of resourcing, and HM Treasury clearly has decisive influence in this regard.

We understand that the Nuclear Decommissioning Authority (NDA) is facing severe budgetary pressures, which would result in cuts to high hazard and safety-related activities across the nuclear estate including at Dounreay and Sellafield Ltd. We fear that jobs will be impacted at Sellafield in particular. The consequent reduction in the volume of work that can be undertaken will inevitably reduce plant maintenance, accelerating the degradation of assets and bringing cuts to the skilled workforce. As demonstrated in the phase two report of the Grenfell Tower inquiry, any dilution of the safety culture must be a red flag. We know that the industry's regulators, ONR and the Environment Agency, have concerns in this regard.

New nuclear build will provide vital baseline generation for a clean energy future. Our unions support a mixed portfolio of GW-scale, SMR and AMR assets. That said, it would be a huge mistake to pre-emptively rule out the development of new GW-scale capacity at Wylfa using proven technologies. It is precisely such inconsistency in approach that has held back the progress of our nuclear industry – and indeed our energy industry more broadly - over many years.

We recognise that there are significant pressures on the public purse but, as you have made clear, the solution lies in economic growth. As Prospect has argued in its report 'Energising a green industrial strategy', a change in the Treasury's approach is both necessary and possible.

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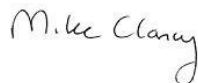
We therefore urge you not to take a pre-emptive decision that will damage such a key sector, undermine aspirations for growth, and be a further blow to workers and communities that deserve better.

Given the public interest and the interest of the workers we represent in these important issues we will be releasing this letter publicly.

Your sincerely



Gary Smith  
General Secretary



Mike Clancy  
General Secretary