



National
Nuclear
Regulator

Portfolio Committee on Electricity and Energy

▶ ANNUAL REPORT 2023/24
Protecting people, property
and the environment.

Outline

- NNR Mandate and Strategic Focus
- Five Year Performance Trends
- 2023/24 Organisational Performance
- Performance Highlights
- Service Delivery Environment
- Organisational Environment
- Progress towards achievement of institutional impacts and outcomes
- Annual Performance Information Report

NNR Mandate and Strategic Focus

Established by NNR Act, Act No.47 of 1999

Schedule 3A
National Public Entity into PFMA

Vision

To be recognised
as a trusted
nuclear and
radiation safety
regulator

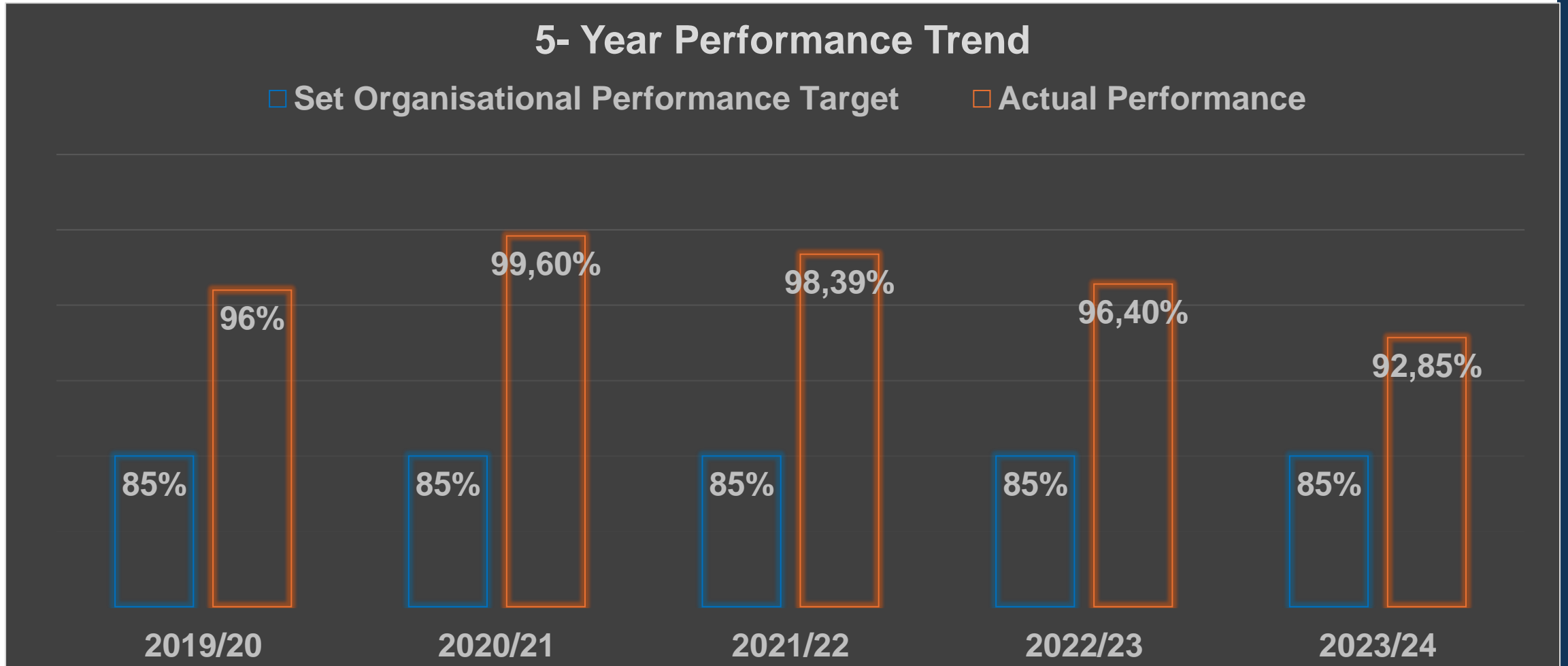
Mission

To
strengthen and
maintain an
effective national
regulatory
framework through
innovation in
the protection of
persons, property
and the environment
against
ionising radiation

Values

- Excellence
- Integrity
- Openness & Transparency
- Safety & Security
- Teamwork
- Caring

5 Year Performance Trend



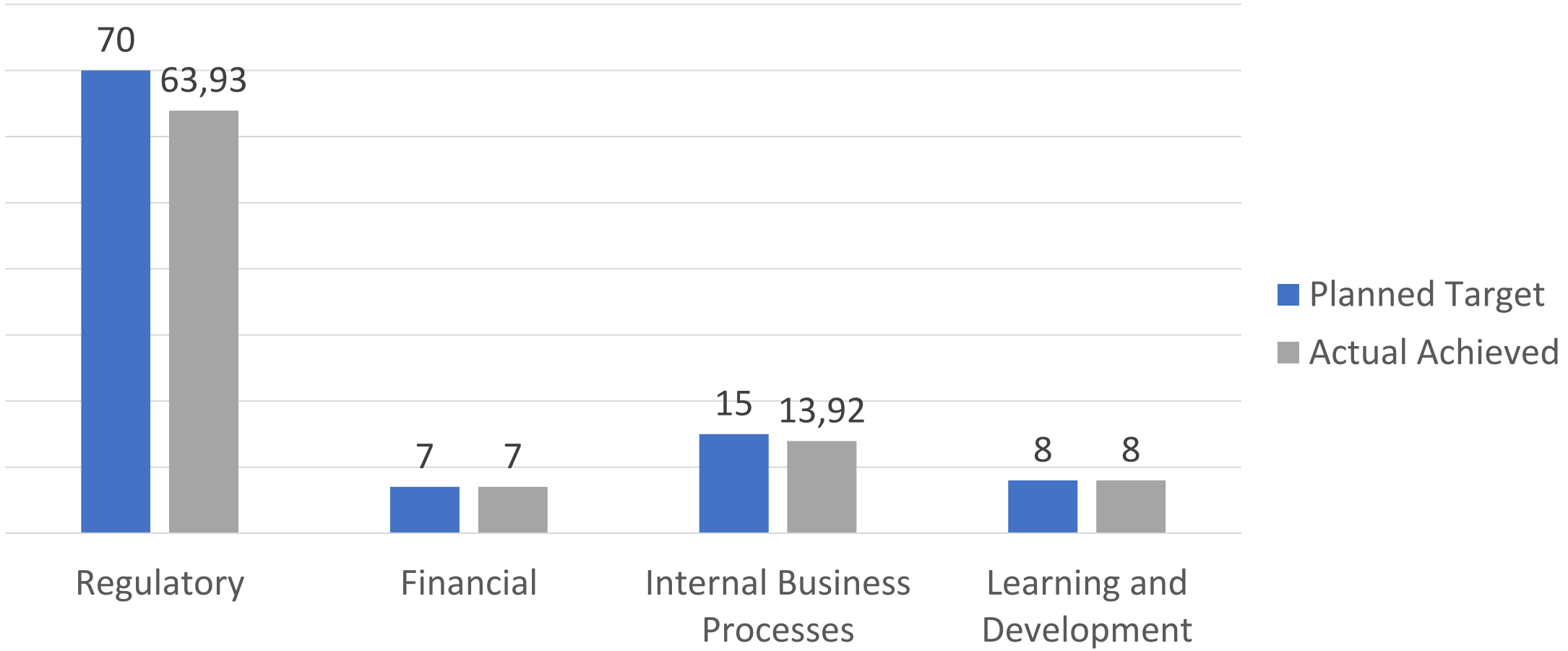
2023/24 Organisational Performance

- ❖ NNR APP contained 12 outcomes and 18 output indicators.
- ❖ Based on the audited reported performance, the organisation achieved a performance score of **92.85%**

RAGG INDICATOR	STATUS	NOTES
Red (Non-achievement registered below 85% target)	2 indicators were not achieved	<ul style="list-style-type: none"> • One legislative compliance report was not compiled due to delays in finalizing the procurement for the legislative compliance system • At the end of the reporting period, the NNR had not reviewed all relevant information relating to the LTO application. A record of the decision report could not be finalised as both the technical review and public consultations were outstanding.
Amber (85 – 89% achievement to target)	2 indicators were partially achieved	<ul style="list-style-type: none"> • The printing of the 2024-25 Annual Performance Plan could not be finalised by 31 March 2024. A total of 21 additional activities carried out were associated with the LTO public hearings, bilateral, and appointment of Chairpersons and deputies of the Public Safety Information Forums (PSIFs). • The desktop replacement for display screens was not completed
Green (100% achievement of target)	14 indicators were fully achieved	
Grey (Set aside/ Not applicable)	N/A	

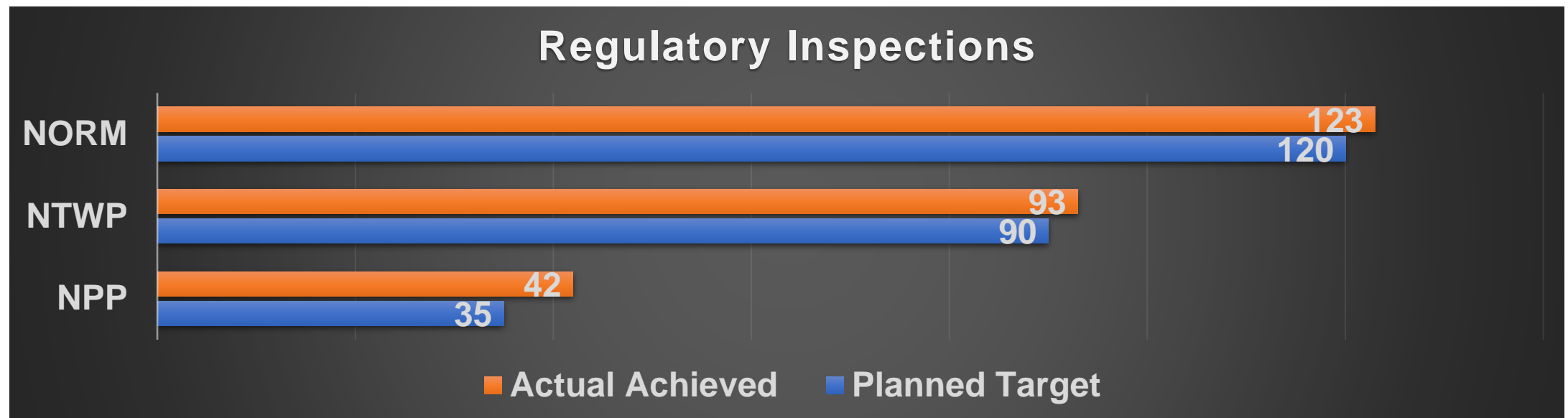
Performance Highlight

% Performance by Perspective



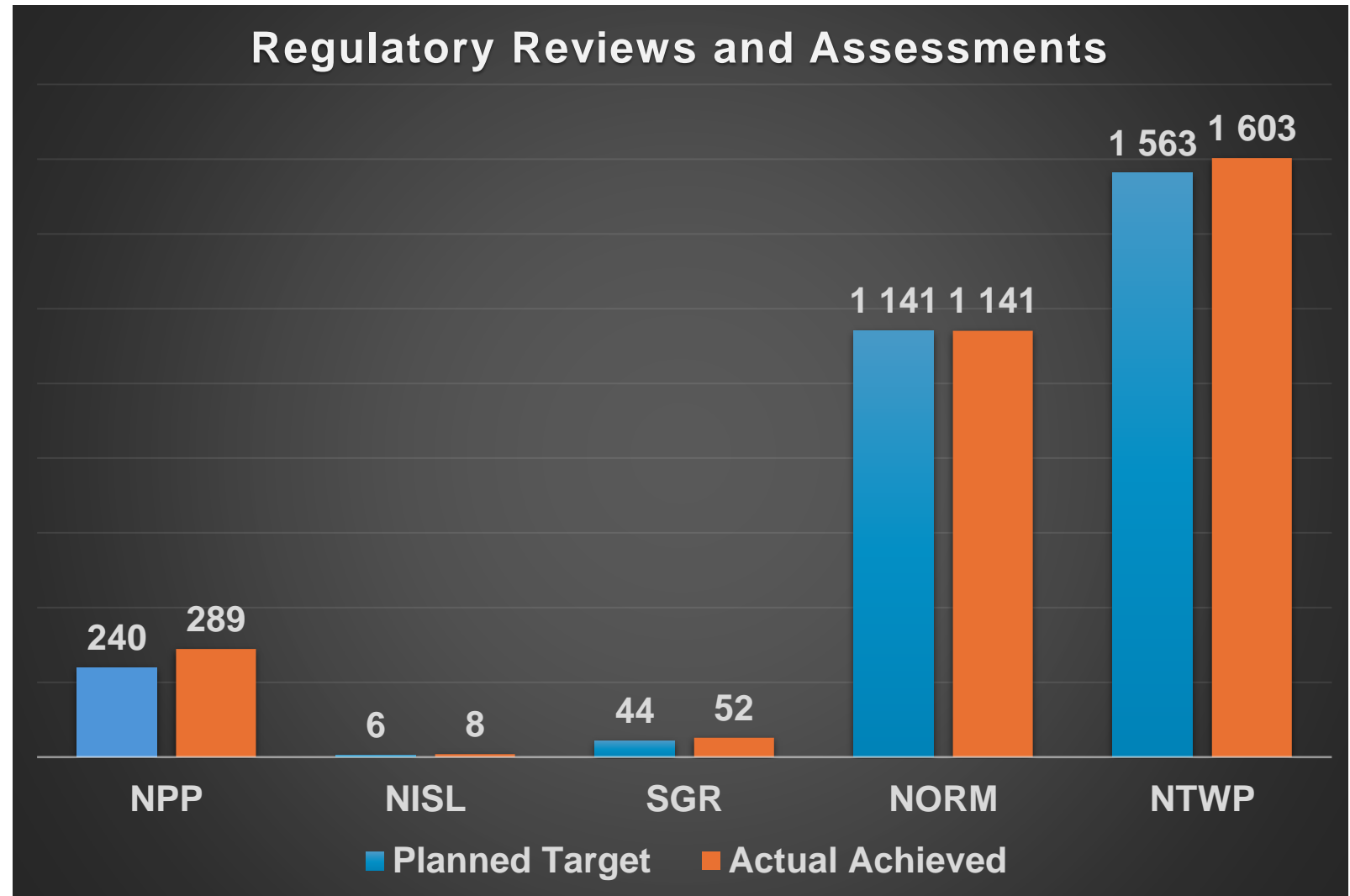
Progress towards achievement of institutional impacts and outcomes

- In 2022–23, the South African National Accreditation System (SANAS) assessed the laboratory and recommended accreditation for Gamma Spec (Soil/Sediment and Water) under ISO/IEC 17025:2017, contingent on addressing 15 identified non-conformances. Accreditation certificate was received from SANAS during 2023/24.
- The regulatory inspections conducted during 2023-24 are as follows:



Progress towards achievement of institutional impacts and outcomes

Reviews and assessments undertaken during the reporting period include current and historical submissions from both assessments and inspectorate units.



Annual Performance Information Report

Programme / Sub-programme: Administration

Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Ensure proactive management of potential Litigation	Quarterly legislative compliance report	PM3: number of legislative compliance reports	Four legislative compliance reports compiled	96,77% compliance to legislation	Four legislative compliance reports	Three legislative compliance reports compiled	One legislative compliance report not compiled	One legislative compliance report was not compiled due to delays in finalising the procurement for the legislative compliance system.
Enhance stakeholder engagements (internal and external)	Approved stakeholder engagement plans Quarterly reports	RM7:% Implementation of public communications and stakeholder engagement plans	100% of the stakeholder relationship management plan implemented	100% of the stakeholder relationship management plan implemented	100% implementation of the public communications and stakeholder engagement plans	98,3% of the implementation of the public communications and stakeholder engagement plans	-1.7%	The printing of the 2024–25 Annual Performance Plan could not be finalised by 31 March 2024. 21 additional activities carried out were associated with the LTO public hearings, bilateral, and appointment of Chairpersons and deputies of the Public Safety Information Forums (PSIFs)
Enhance ICT capabilities to enable business Support	Quarterly progress reports	PM1:% Implementation of the ICT business support activities	100% of the ISO: 27001 plan implemented	100% of the ICT business support plan implemented	100% implementation of the ICT business support activities	98,3% of the ICT business support activities Implemented	-1.7%	The desktop replacement for display screens was not completed.
Determine the gap between the workplace skills plan (WSP) and Competencies of employees	<ul style="list-style-type: none"> ▪ Analysis report ▪ Mitigation Plan ▪ Updated WSP 	LM1: Conduct an independent competency analysis	N/A	N/A	Competency analysis report and mitigation plan	Competency analysis report and mitigation plan were compiled	No deviation	N/A

Programme / Sub-programme: Finance								
Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Adequate funding for execution of NNR mandate	<ul style="list-style-type: none"> Board approved budget Quarterly financial reports 	FM1: % funding of NNR planned activities.	100% of NNR planned activities funded	100% of NNR planned activities were funded	100% of NNR planned activities were funded	100% of NNR planned activities were funded	No deviation	N/A
Include previously disadvantaged individuals in procurement	Supply Chain Management Report on bids awarded to targeted designated groups	FM2:% procurement spent on targeted designated groups	68% of procurement spent on designated groups	76% of procurement spent on designated groups	70% of procurement spent on targeted designated groups	77,33% of procurement was spent on targeted designated groups	+7.33%	Procurement spent increased in Q2 as supply chain activities resumed to full-scale after the AGSA audit process
Provide adequate and safe facilities for the site office	<ul style="list-style-type: none"> Approved project plan Project reports 	PM2:% implementation of the Cape Town Office construction project plan	75% of the Cape Town Office construction project plan implemented	100% of the Cape Town Office construction project plan implemented	100% Implementation of Cape Town Office construction project plan implemented	100% of the Cape Town Office construction project plan implemented	No deviation	N/A

Programme / Sub-programme: Nuclear Power Plant								
Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Maintain the implementation of regulatory programmes to assure effective nuclear safety Regulation	<ul style="list-style-type: none"> Inspection reports Letters to authorisation holder or applicant informing them of inspection outcome Inventory of inspections conducted 	RM2a: number of inspections conducted (NPP)	34/29 inspections conducted	41 inspections conducted	35 inspections conducted	42 inspections conducted	+7 additional inspections	<ul style="list-style-type: none"> Seven additional inspections were conducted due to the SGR Project that is currently underway at the Koeberg site. There were additional outage-related activities and LTO inspections that were performed.
	<ul style="list-style-type: none"> Letter to authorisation holder or applicant informing them of review and assessment Inventory of reviews and assessments undertaken. Quarterly plan for reviews and assessments 	RM2b:% implementation of reviews and assessments plan (NPP)	117,92% reviews and assessments undertaken (467/396)	113,14% of reviews and assessments plan implemented (241/213)	100% implementation of reviews and assessments plan	120,42% of reviews and assessments plan implemented (289/240)	+20,42% of reviews and assessment plan Implemented (+49 additional submissions completed)	An additional 49 submissions were reviewed as the quarterly targets are an estimation based on the number of pending tasks and the number of tasks received in previous quarters.
		RM2c:% implementation of reviews and assessments plan (NISL)	N/A	107,14% of the reviews and assessments plan implemented (15/14)	100% implementation of the reviews and assessments Plan	133,33% of reviews and assessments plan implemented (8/6)	+33,33% of reviews and assessments plan implemented (two additional submissions completed)	Two additional submissions related to the Probabilistic Seismic Hazard Assessment Report and the method used for the site characterization involving the interpretation of the shear wave velocity measurements to meet the necessary quality assurance requirements for the Probabilistic Seismic Hazard Assessment were reviewed.

Programme / Sub-programme: Nuclear Power Plant								
Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Maintain the implementation of regulatory programmes to assure effective nuclear safety Regulation	Letter to authorisation holder or applicant informing them of review and assessment Inventory of reviews and assessments undertaken. Quarterly plan for reviews and assessments	RM2d:% implementation of reviews and assessments plan (SGR)	N/A	112,5% of the reviews and assessments plan implemented (117/104)	100% implementation of the reviews and assessments Plan	118,18% of reviews and assessments plan implemented (52/44)	+18,18% of reviews and assessments plan implemented (eight additional submissions completed)	The eight additional reviews were completed in response to the release of regulatory hold points for the removal of the three Original Steam Generators (OSGs) due for replacement during Outage 226. The nature of activities during the SGR installation outage is very dynamic and therefore the related need for Eskom submissions and NNR reviews is unpredictable.
Provide an effective oversight of the LTO	Draft record of decision report	RM4: Compile draft record of decision report	100% of the LTO training plan Implemented	Safety evaluation progress report compiled	Draft record of decision report	Draft record of decision report not compiled	Draft record of decision report not compiled	At the end of the reporting period, the NNR had not reviewed all relevant information relating to the LTO application. A record of the decision report could not be finalised as both the technical review and public consultations were outstanding.

Programme / Sub-programme: Nuclear Technology and Waste Projects and Naturally Occurring Radioactive Material

Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Maintain the implementation of regulatory programmes to assure effective nuclear safety Regulation	<ul style="list-style-type: none"> • Inspection reports • Letters to authorisation holder or applicant informing them of inspection outcomes • Inventory of inspections conducted 	RM2a: number of inspections conducted (NORM)	120/120 inspections conducted	121/120 inspections conducted	120 inspections conducted	123/120 inspections conducted	+3 additional inspections	Three additional inspections were conducted. One was conducted as a follow up on the directive issued previously for non-compliance, the second one was a reactive inspection conducted to follow up on the radioactive material suspected to have not been reported to the Regulator, and the third one was a reactive inspection conducted to verify the compliance of the authorisation holder with approved procedures.
		RM2a: number of inspections conducted (NTWP)	50/50 inspections conducted	88/85 inspections conducted	90 inspections conducted	93/90 inspections conducted	+3 additional inspections	Three unplanned inspections were conducted. Two were related to the manufacturing of the Daleen Inner Container used by the NTP Radiochemicals Complex, and the installation and commissioning of the replacement neutron safety channel guarded fission chamber detector at SAFARI-1 were undertaken.

Programme / Sub-programme: Nuclear Technology and Waste Projects and Naturally Occurring Radioactive Material

Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Maintain the implementation of regulatory programmes to assure effective nuclear safety Regulation	<ul style="list-style-type: none"> Letter to authorisation holder or applicant informing them of review and assessment outcome. Inventory of review and assessments Undertaken. Quarterly Plan for reviews and assessments. 	RM2e:% Implementation of reviews and assessments plan (MPR)	N/A	N/A	100% implementation of reviews and assessments plan	100% implementation of reviews and assessments plan implemented (6/6)	No deviation. During Q3 and Q4, no submissions were received from Necsa on the MPR. The set-aside rule as per the organisation performance framework was applied.	Performance results are set aside because the delivery has been impacted by factors/ processes external to the NNR. The indicator is not considered in determining the overall performance of the organization for the reporting period.
	Approved stakeholder consultation plan	RM3: Compile progress report on the indoor radon project	Framework under review	Approved stakeholder consultation plan	Progress report on radon in dwellings action plan	Progress report on radon in dwellings action plan compiled	No deviation	N/A

Programme / Sub-programme: Nuclear Technology and Waste Projects and Naturally Occurring Radioactive Material

Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Maintain the implementation of regulatory programmes to assure effective nuclear safety Regulation	<ul style="list-style-type: none"> Letter to authorisation holder or applicant informing them of review and assessment outcome. Inventory of review and assessments Undertaken. Quarterly Plan for reviews and assessments. 	RM2e:% Implementation of reviews and assessments plan (MPR)	N/A	N/A	100% implementation of reviews and assessments plan	100% implementation of reviews and assessments plan implemented (6/6)	No deviation. During Q3 and Q4, no submissions were received from Necsa on the MPR. The set-aside rule as per the organisation performance framework was applied.	Performance results are set aside because the delivery has been impacted by factors/ processes external to the NNR. The indicator is not considered in determining the overall performance of the organization for the reporting period.
	Approved stakeholder consultation plan	RM3: Compile progress report on the indoor radon project	Framework under review	Approved stakeholder consultation plan	Progress report on radon in dwellings action plan	Progress report on radon in dwellings action plan compiled	No deviation	N/A

Programme / Sub-programme: Regulatory Improvement and Technical Services

Outcome	Output	Output indicator	Audited actual performance 2021/2022	Audited actual performance 2022/2023	Planned annual target 2023/2024	**Actual achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Provide an independent radio-analytical verification capability and Capacity	<ul style="list-style-type: none"> Approved accreditation Plan Approved action plan to address SANAS findings SANAS recommendation report SANAS accreditation status report 	RM1:SANAS accreditation Gamma Spec: (Soil/Sediment and Water) ISO/IEC 17025:2017	SANAS accreditation report received	SANAS accreditation report Gamma Spec: (Soil/ Sediment) ISO/ IEC 17025:2017 received	SANAS accreditation status report	The SANAS accreditation status report was compiled	No deviation	N/A
Ensure readiness to regulate SMRs	<ul style="list-style-type: none"> Approved SMR implementation plan Approved SMR implementation report NNR readiness report 	RM5:% implementation of the SMR plan	Approved SMR annual implementation plan	NNR readiness report on SMRs regulation with plan of action compiled	NNR readiness progress report	NNR readiness progress report was compiled	No deviation	N/A
Ensure the long-term sustainability of the CNSS	Approved pilot plan approved CNSS Pilot Report	RM6a: Compile pilot report (year 2)	CNSS sustainability strategy compiled and approved	Pilot report compiled and approved	Approved CNSS Pilot Report (Year 2)	CNSS Pilot Report (Year 2) was compiled and approved	No deviation	N/A
	CNSS funding model/costing structure implementation Report	RM6b: Implementation of the CNSS funding model/costing structure	Approved funding model of the CNSS	0% funding of CNSS planned activities	CNSS funding model/costing structure implementation report	CNSS funding model/ costing structure implementation report was compiled	No deviation	N/A



FINANCIAL REVIEW 2023-2024

FINANCIAL HIGHLIGHTS

Total Revenue

R345 Million (2023: R328 Million) 5%

Total Expenditure

R300 Million (2023: R279 Million) 8%

Surplus for the period

R45 Million (2023: R49 Million) -8%

FINANCIAL HIGHLIGHTS (CONT...)

Total Assets

R313 Million (2023: R270 Million) 16%

Total Liabilities

R49 Million (2023: R51 Million) -4%

Net Assets Value (NAV)

R264 Million (2023: R218 Million) 21%

FINANCIAL HIGHLIGHTS (CONT...)

Operating Free Cash flow

R56 Million (2023: R45 Million) 24%

Net Cash flow

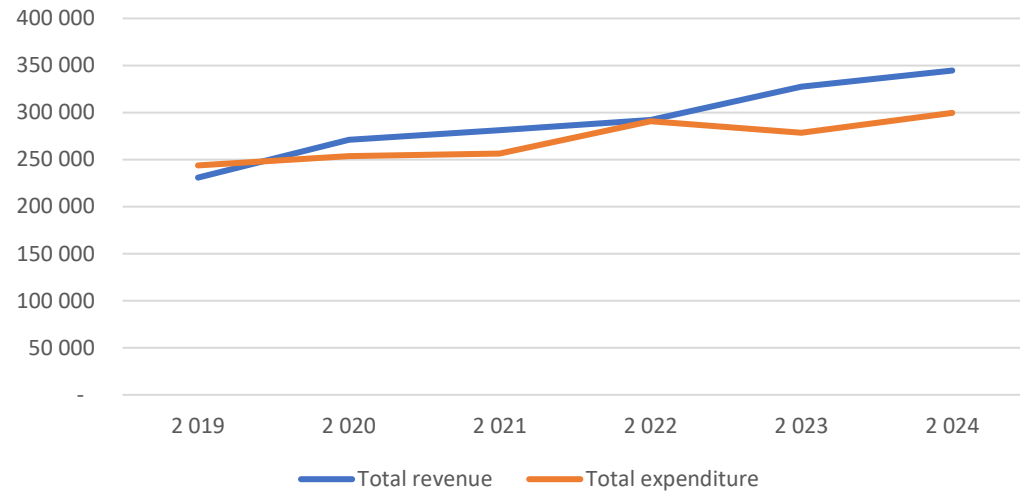
R15 Million (2023: R26 Million) -42%

Cash and Cash equivalent

R184 Million (2023: R168 Million) 9%

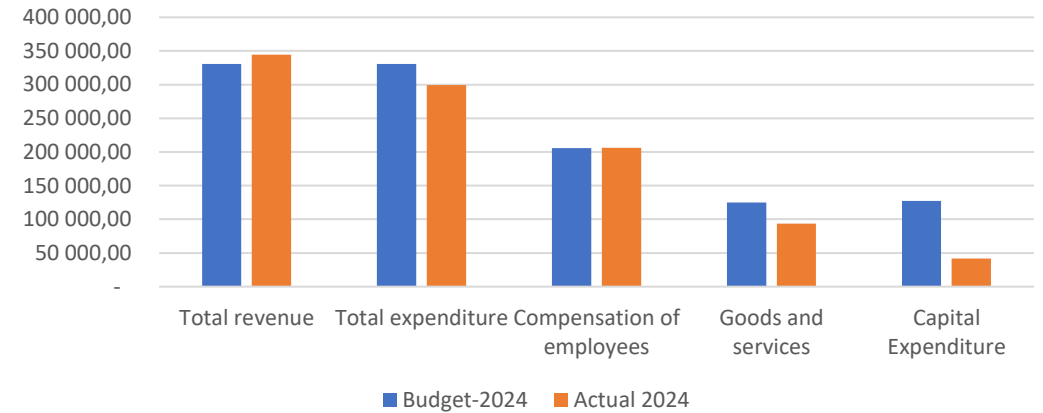
Trends

Revenue and Expenditure trend



Budget v Actuals

Comparison of Budget and Actual



Total revenue is well within budget with a variance of 4%.

Compensation of employee is aligned with budget.

Goods and Service is below budget by 34% due to implementation of costs containment measures.

Capital expenditure is below budget due to delay in procuring fit-out for Cape Town Office.

Statement of Financial Position

	31 March 2024	31 March 2023
Figures in Rand	000	000
Assets		
Current assets		
Receivables from exchange transactions	3 002	4 587
Receivables from non-exchange transactions	545	510
Operating lease asset	-	-
Cash and cash equivalents	183 873	168 401
	187 419	173 499
Non-current assets		
Property, Plant and Equipment	124 422	94 647
Intangible Assets	1 129	1 516
	125 551	96 163
Total Assets	312 970	269 661
Liabilities		
Current liabilities		
	100%	
Other financial liabilities	-	-
Operating lease accrual	1 421	1 085
Payables from exchange transactions	11 170	12 280
Other payables from non-exchange transactions	25	-
Provisions	29 480	28 710
	42 095	42 076
Non- Current liabilities		
Other financial liabilities	-	-
Employee benefit obligation	7 422	9 115
Unspent conditional grants and receipts	-	-
	7 422	9 115
Total Liabilities	49 517	51 191
Net Assets	263 453	218 470
Accumulated surplus (deficit)	263 453	218 470

FINANCIAL POSITION OVERVIEW

- **Property Plant and E quipment**

Includes laboratory equipment used for independent verification of samples and assets for radiological emergency monitoring.

- **Intangible Assets**

Includes computer code for radiological analysis and modeling.

- **Payables**

Payables relate to amount for service rendered by suppliers, during the year the NNR paid its suppliers on average within 5 days. 2336 invoices were paid within 30 days.

- **Provision**

Includes short-term employee benefits-leave and performance incentives

- **Employee benefit obligation**

Post retirement medical benefits provision-For six (6) pensioners and one (1) employee in active employment.

FINANCIAL PERFORMANCE OVERVIEW

- Authorisation fees increased inline with the gazetted fee.
- Application fee include amount for processing Nuclear License Installation for Eskom-(Thypunt and Dynefontein sites).
- Other income include accounting entry-Reversal of accounts receivable impairment.
- Government allocation declined due to National Treasury wide budget cut.
- Compensation of employees is well within inflation and increased by 5% on average
- Debts impairment of R 7,7 million relate to authorisation holders under liquidation and surrenders whose debts are considered irrecoverable and uneconomical to collect and was written-off.
- Surplus realised due to costs containment and marginal declined when compared to prior year. National Treasury approved Retention of surplus for 2022/2023 fiscal year for completion of Cape Town Office Construction and Head Office maintenance projects

NATIONAL NUCLEAR REGULATOR

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Performance

	31 March 2024	31 March 2023
Figures in Rand	000	000
Revenue		
Authorisation fees	234 538	223 035
Application fees	28 094	26 623
Interest on overdue debtors	507	268
Actuarial gain	1 693	139
Other income	9 473	3 169
Interest received	23 337	14 079
Total Revenue Exchange Transaction	297 642	267 313
Government grants	46 949	47 308
Deferred income	-	12 972
Total Revenue non-exchange Transaction	46 949	60 280
Total revenue	344 591	327 593
Expenditure		
Compensation of employees	(206 080)	(194 561)
Depreciation and amortisation	(11 301)	(12 275)
Finance costs	-	(47)
Lease rentals on operating lease	(4 959)	(4 692)
Debt impairment	(7 676)	-
Actuarial losses	-	-
Goods and services	(69 592)	(67 013)
Total expenditure	(299 609)	(278 588)
Surplus for the period	44 982	49 005

AUDIT OUTCOME



2024	2023	2022	2021	2020
Clean Audit	Clean Audit	Clean Audit	Unqualified audit with material findings	Clean Audit

MATERIAL IRREGULARITIES



No material irregularities was reported by AGSA during the year under review

FRUITLESS AND WASTEFULL EXPENDITURE



No Fruitless and Wasteful expenditure was identified for the period under review.

IRREGULAR EXPENDITURE

R 320 Thousand



None was identified during the current year under review. Balance carried over from prior year. Currently in a process of being condoned.

Thank You



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Nuclear
Regulator