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Please respond to:

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Dear Graeme

DOUNREAY PBO COMPETITION

I am writing to you, on behalf of the Dounreay Stakeholder Group, to thank you and your colleagues for taking the time to update us on the Dounreay PBO competition.

We are pleased that the NDA has made progress in discussing the socio economic aspects which will form part of the bid and are equally pleased that the paper written will be presented at our next Socio Economic sub group meeting.

At our discussion we asked if it would be possible for DSG members to be informed of the weighting that you will apply to the key criteria and while you indicated that socio economics would be one of these you could not confirm whether this could be made available to us. We sincerely hope it can be and look forward to your response.

To re-iterate our feelings on this subject the DSG believe that given the fact that a target cost contract could potentially bring the interim end state earlier or later than the planned 2025 date it is more important than ever to ensure that the weighting for socio economics is one of the key criteria and we believe it should be rated as high as safety.

We asked if we could have sight of the contract when it was finalised but you explained, for reasons of commercial confidentiality, this would not be possible. While we understand this, after consideration we believe we may have asked the wrong question. It may be more appropriate if we could have sight of the descriptive document which we believe will outline the detail you would expect the bidders to work on for their bids and this must include the scoring and weighting of the criteria (according to The Public Contracts (Scotland) Regulations 2006) and Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on

the co-ordination of procedures for the award of public works contracts, public supply contracts and public service contracts. Abstracts from these regulations are given below:

The Public Contracts (Scotland) Regulations 2006)

<u>Extract from above:</u> "(3) Where a contracting authority intends to award a public contract on the basis of the offer which is the most economically advantageous it shall state the weighting which it gives to each of the criteria chosen in the contract notice or in the contract documents or, in the case of a competitive dialogue procedure, in the descriptive document."

Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts

Extract from above: "To ensure compliance with the principle of equal treatment in the award of contracts, it is appropriate to lay down an obligation - established by case-law - to ensure the necessary transparency to enable all tenderers to be reasonably informed of the criteria and arrangements which will be applied to identify the most economically advantageous tender. It is therefore the responsibility of contracting authorities to indicate the criteria for the award of the contract and the relative weighting given to each of those criteria in sufficient time for tenderers to be aware of them when preparing their tenders. Contracting authorities may derogate from indicating the weighting of the criteria for the award in duly justified cases for which they must be able to give reasons, where the weighting cannot be established in advance, in particular on account of the complexity of the contract. In such cases, they must indicate the descending order of importance of the criteria.

DSG has further considered our discussions with you and while we understand that there will be commercial information in the tenders submitted by the participants we would like to ask who in the NDA will be assessing the socio economic aspect of the tenders. Perhaps you could also explore whether the socio economic part of the tenders could be assessed by senior officials of the Caithness & North Sutherland Regeneration Partnership (which includes NDA personnel from the Forss office). The reason behind this is that they are the best placed people to know whether the socio economic proposals are compatible with the long term vision of the county and we would not expect this information to contain commercially sensitive information. We would like you to take this to your Board to give it very serious consideration.

We look forward to your response in due course.

Yours sincerely

Sent electronically without signature
Bob Earnshaw
DSG Chairman

cc. Randall Bargelt
Anna MacConnell
Jon Philips
Bob Churchill
Tony Fountain
John Clarke
John Thurso, MP
Jamie Stone, MSP
Elizabeth Gray, Scottish Government