

Socio Economic SLC commitments

DSRL will be required to develop, submit and obtain NDA approval for a 3 year rolling Socio-Economic Development Plan setting out how it will comply with the NDA Socio Economic Policy which is interpreted locally as the NDA Socio Economic Caithness & North Sutherland Priority Area Plan June 2009.

On an annual basis, DSRL will be required to consult with local stakeholder partners on how it intends to support local socio-economic development and then amend the Socio-Economic Development Plan to reflect these consultations, the NDA Socio Economic Policy, the NDA Socio Economic Caithness & North Sutherland Priority Area Plan June 2009 and available funding. Any amendments will be subject to NDA approval. The current DSRL Socio-Economic Development Plan, is published on the Dounreay website:

<http://www.dounreay.com/UserFiles/File/Dounreay%20Socio%20Economic%20Plans/Dounreay%20Socio%20Economic%20Development%20Plan%2009%20to%202010.pdf>

Existing DSRL contractual socio-economic commitments which reflect this plan are set out in DSRL LTP 08 rev e. NDA expect DSRL to maintain the socio-economic commitments contained within LTP 08 rev e along with the budget associated with it, provided that this money continues to be spent in accordance with NDA policy and guidance. For the avoidance of doubt, the DSRL SLC socio-economic commitment is an allowable cost and is included within the Annual Site Funding Limit. The Contractor's Performance Baseline when delivered as part of this contract award is expected to include the SLC socio-economic commitments.

In line with the NDA Socio Economic Policy, interpreted locally through the Socio Economic Caithness & North Sutherland Priority Area Plan June 2009 and as currently reflected in LTP 08 rev e, DSRL will have an ongoing commitment for the life of this contract up to the delivery of the Interim End State to:

- play an important role locally in the coordination of funding proposals and in bringing together local socio-economic development agencies and other relevant bodies, such as Site Stakeholder Groups (SSGs);
- undertake comprehensive workforce planning and skills audits on a rolling basis to ensure an appropriately skilled workforce is available to carry out its remit and to make the results of these audits available to interested local bodies to enable them to plan effectively;

- support and fund, in line with Interim End State resource requirements, nuclear skills development including decommissioning and clean-up skills;
- support the continuing involvement and development of the supply chain, in line with EU regulations and NDA PCP 17, ensuring that the local supply chain has equal opportunity with the wider supply chain to respond to tender opportunities;
- support economic diversification into other industries and sectors by encouraging entrepreneurship via the SLC make/buy decisions.

Socio Economic PBO commitments

The area of Caithness and North Sutherland is identified as a **Priority Area** in the NDA Socio Economic Policy. The actions of the PBO both directly and through its seconded management to DSRL will have a significant impact on the future economic and social fabric of Caithness and North Sutherland. It is therefore important that the competition process leads to the selection of a PBO which has exemplary experience in managing the consequences of the decommissioning and clean up activities performed by DSRL.

NDA committed as part of the governance of this competition to consult widely with local stakeholder partners in Caithness and North Sutherland to crystallise the socio economic requirements deemed important by the local community. Participants will be invited to use the dialogue phase and discussion opportunities with local stakeholder partners to develop both their understanding of the requirements and their proposed plans to meet those requirements. The requirements that the local stakeholder partners expect the successful PBO to bring to Caithness and North Sutherland can be defined under the following headings:

Socio Economic Experience & Ongoing Engagement with Community Partners

A clear demonstration by the new PBO, that it has the corporate experience to work with regeneration, economic development agencies and other stakeholder partners in the Caithness and North Sutherland and that this experience will be embedded through the PBO's involvement in the Caithness and North Sutherland community.

The appointed PBO will be required to work collaboratively with those organisations and agencies accountable for the delivery of social regeneration and economic development across the areas of Caithness and North Sutherland including The Highland Council, Scottish Government, Highlands and Islands Enterprise, the Chamber of Commerce and other community organisations as brought together by the Caithness & North Sutherland Regeneration Partnership or its successor.

Forecasting

It is vital that the contractor (SLC) provides accurate and timely information to the organisations and agencies accountable for economic regeneration on the resource levels required to deliver the decommissioning and clean-up mission at Dounreay. This information needs to be presented in ways which the economic regeneration agencies are able to identify the types of skills which will become available from the Dounreay site over the period of decommissioning. The timely production of this information and the clear and inclusive way it is shared with local partners is key to the success of socio economic activity. The PBO shall ensure that the SLC provides such information appropriately.

Encouraging Local Businesses

Working in partnership with the organisations and agencies accountable for economic regeneration in Caithness and North Sutherland, the appointed PBO will take a proactive role in encouraging local business development opportunities by applying its corporate capability and leverage to assist in the generation of new business opportunities in the area and where possible to encourage/enable other companies to become involved.

Business Development Arising from DSRL

Where a viable business position can be established, the appointed PBO will encourage and support the spin-out from DSRL of parts of their existing portfolio of services, whilst ensuring sufficient capability remains available to service the needs of the SLC.

Office support and remote services provision

Working in partnership with stakeholder partners, where a viable business case can be established that does not impact on the delivery of the Interim End State / Final End State, the appointed PBO will assist, encourage, support and facilitate commercial arrangements enabling the creation of general “back-office” industry in the Caithness and North Sutherland region for the NDA Estate and/or for the wider interests of the bidder. The local stakeholders ask that due consideration is given to town centre relocation of personnel where appropriate.

Workforce transitioning

The appointed PBO will ensure that the SLC assists the regeneration, economic development agencies and other stakeholders in the transitioning of the work-force into alternative industries. This will include ensuring that the SLC manages the retention of appropriate skills so that the DSRL mission can be carried through to the Site Interim End State / Final End State.

DSRL Socio Economic Activities

The appointed contractor will ensure that DSRL continues to comply with the directly funded SLC socio-economic commitments as defined in the Socio-Economic Development Plan and the current LTP 08 rev e. Future changes as a result of competition and consultation with local stakeholders will be contractualised through the SLCA in the form of an amended Socio-Economic Development Plan and included in the Contractors Performance Baseline.

Taking into account the requirements and expectations defined above, discussions during dialogue and with local partners, participants will be invited to submit their socio-economic action plan within their final tenders compliant with the NDA Socio Economic Policy, the NDA Socio Economic Caithness & North Sutherland Priority Area Plan June 2009 and appropriate law including State Aid and EU Procurement law. The response should define:

- their experience, and how it will be applied, to the development of operational relationships with the regeneration and development agencies and the local authorities
- their experience and how it will be applied, to the development of accurate and timely information to the organisations and agencies accountable for economic regeneration on the resource levels and skills required to deliver the decommissioning and clean-up mission and those resources and associated skill sets no longer required to deliver the decommissioning and clean-up mission.
- their experience in addressing new business opportunities, and how that experience will be applied in the Caithness area
- their experience and how it will be applied in enabling “spin-out” business opportunities, specifically with respect to nuclear (and associated) technologies
- their experience and how it will be applied to the transitioning of the work-force into alternative industries. This will include the retention of appropriate skills so that the DSRL mission can be carried through to the Site Interim End State / Final End State
- their experience and how it will be applied of embedding socio economic considerations into engagement and development of the DSRL supply chain
- a commitment to ensure DSRL continues to comply with the directly funded SLC socio commitments as defined in the current LTP 08 rev e and as agreed as a result of competition in the Contractors Performance Baseline and in accordance with NDA Socio Economic Policy.

The successful PBO bidders' socio-economic plan will then be contractualised and included as an appendix to the Parent Body Agreement and reviewed against the minimum performance standards agreed during dialogue.

July 2010