

DOUNREAY STAKEHOLDER GROUP

NOTE FOR THE RECORD

DISCUSSION WITH RICHARD STONEHAM AND YVONNE McCarthy, PENSIONS ADMINISTRATION OFFICE (PAO), ON THURSDAY 24TH MARCH 2011

Present:	Eann Sinclair	CNSRP Programme Manager
	Bob Earnshaw	DSG Chairman
	Cllr David Flear	DSG Vice-Chairman
	Stephen Sutherland	Caithness Chamber of Commerce
	Ann-marie Monteforte	HIE
	Anna MacConnell	NDA
	June Love	DSG Secretariat
	Richard Stoneham	PAO
	Yvonne McCarthy	PAO

NOTES

The meeting was organised to inform attendees of the progress PAO is making in its business strategy. However following the issues raised at the DSG meeting on 9th March 2011 this forum provided the opportunity for Babcock PAO to share the process and thinking leading to the move from Brownhill Lodge to Forss.

Richard Stoneham thanked everyone for attending and for the opportunity to bring them up to date on the current situation of the Pensions Administration Office (PAO).

Richard acknowledged that had he been in a position to inform the DSG about the current position and particularly the move to Forss he believed a lot of the concerns expressed may have not arisen. He confirmed he would look to work with members of this group as far as commercially possible to avoid a reoccurrence of the communication issue. His priority was to ensure that the PAO staff had been fully informed before any information was made public. However he recognised fully the need to work with the Group to keep members informed on a timely basis.

Richard briefly outlined the history of the Pensions Office in Thurso which Babcock International Group had acquired following the purchase of UKAEA Ltd. The PAO is a stand-alone entity within Babcock Support Services.

Babcock, with its consultants, Aon, was currently undertaking a review of this business with a view to making it ready to meet the business objective of expanding the business. This had been previously outlined at a meeting with DSG members during 2010.

Part of the review was looking at the capacity of the current accommodation and consideration of new premises had been ongoing for a number of years. The overriding reason for looking for new accommodation was to allow room for expansion as well as enhancing the security of both staff and client information. The current premises had originally been part of the UKAEA hostel which was revamped into

office accommodation and did not provide the professional image or an adequate infra-structure required for attracting new business.

Consideration had been given to a number of options for alternative accommodation and Forss Business Park had been selected for a number of valid reasons including the ability to expand if required as well as serviced office accommodation on a business park which complemented this type of business and which portrayed the image of a forward looking business.

The review with Aon was being undertaken in three phases. Babcock had invested close to £1M to undertake the review. Staff had been encouraged fully to be involved in the review process particularly in working on the change process arising from a number of recommendations which had been made. The next stage will be to implement the recommendations and the aspiration is to become a centre of excellence in pension administration provision.

Richard confirmed that the PAO staff had been kept fully informed both about the review and the move of business accommodation. Feedback has been positive. There had been one or two issues raised which were currently being considered.

He emphasised that Babcock were fully supportive of the PAO, that they wished to expand the business and ensure that the PAO stayed in Caithness with high quality jobs and the possibility of increasing staff numbers by attracting new business.

Richard and Yvonne agreed to meet separately with Annemarie Monteforte, HIE to explore areas of joint interest.

Those attending the meeting agreed that this was a positive story which unfortunately had received some negative publicity due to the lack of information at the time of the DSG meeting. However, they noted that it was only right that the PAO staff had been informed first. They agreed that the move to Forss did provide benefit by retaining jobs in Caithness and with the potential expansion of the business this would further enhance the regeneration activities of the area.

The group emphasised the need for continued communication so that the facts were available in a timely manner. Richard acknowledged this and stated that he would continue to keep the group informed on progress as the review moves forward.

The group thanked Richard and Yvonne for taking the time to outline the current activities of the PAO office and looked forward to continued updates as appropriate.

Dounreay Stakeholder Group
24th March 2011