

**DOUNREAY STAKEHOLDER GROUP
SOCIO ECONOMIC SUB GROUP MEETING**

DSG/SESG(2011)M007

Minutes of the DSG Socio Economic Sub Group meeting held at 1330 hours in the Pentland Hotel (large lounge) on Wednesday 20th July 2011.

Present:	Derrick Milnes	Wick and Thurso Trades Council (chair)
	Bob Earnshaw	DSG Chairman
	Keith Muir	HIE
	Koreen MacDougall	Caithness Partnership
	Ronnie Johnstone	Church of Scotland
	Debbie Gray	North Highland College
	Nicola Dreaves	Caithness Chamber of Commerce
	John Green	Caithness Voluntary Group
	Eann Sinclair	CNS Regeneration Partnership
	George Farlow	Highland Council
	June Love	DSG Secretary
	Anna MacConnell	NDA
	Ken Nicol	DSRL

1. INTRODUCTION

Derrick Milnes welcomed everyone to the meeting. It was noted that George Farlow, Highland Council (DSG Site restoration sub group chairman) was also attending this meeting.

2. APOLOGIES

Apologies were received from:

- Alastair MacDonald Honorary member, DSG
- David Flear Highland Council
- Gordon Jenkins (Debbie Gray is deputising)
- Trudy Morris (Nicola Dreaves is deputising)
- Carol Gunn (Keith Muir deputising)
- John Hook Rolls-Royce, Vulcan
- Sandy Mackie Scrabster Harbour Trust
- Murray Lamont North Highland Tourism

3. MINUTES OF THE LAST MEETING

DSG/SESG(2011)M006 refers. The minutes were accepted as a true record. This was proposed by Ronnie Johnstone and seconded by Koreen MacDougall. No issues were raised from the minutes.

4. PROGRESS ON ACTIONS

Appendix 1 provides details of the actions. Of note:

- DSG (2011)M006/A016: Secretary to put issue of credible options for plutonium management to Socio Economic sub group meeting to consider how it could potentially impact on funding for the Dounreay site. *Action complete.*

The plutonium management paper was considered, at this meeting, along with the NDA's credible fuel options paper.

- DSG(2011)M006/A031: June Love to circulate NDA's credible options papers on fuel when available at the end of June. *Action complete.*

This paper was discussed under item 9.

- DSG(2011)M005/A022: Ken Nicol to provide members with a copy of the DSRL Socio Economic Development plan was approved by NDA (after March 2011). – *Action complete.*

DSG(2011)C212 was circulated to members.

- DSG(2011)M006/A025: Eann Sinclair to circulate information on Enterprise Zones to the DSG Socio Economic sub group members. *Action complete – new action assigned.*

Eann Sinclair reported there was little update on Enterprise Zones (EZ). The SNP have announced they will create four Enterprise Zones in Scotland. The only public comment from John Swinney was that they will take the summer to evolve the criteria to assess EZs. Eann was in direct correspondence with Scottish Government to ensure the CNSRP was close to the debate. Scottish Government were talking to Scottish Enterprise and HIE and consideration was being given to whether EZ should be area based or thematic. Scottish Government will announce criteria in early autumn. CNSRP Delivery Group is meeting next week to consider what information will be required. In parallel, John Thurso, MP and Sir Anthony Cleaver were also taking discussions on Marine Energy Parks forward with Greg Baker, Energy and Climate Change. Eann agreed to circulate CNSRP paper once complete on Enterprise Zones.

Derrick Milnes noted that, looking at timescales for EZs, it would be worthwhile taking key messages down to SNP conference in October.

Action: DSG/SESG(2011)M007/A001: Eann Sinclair to circulate paper on Enterprise Zones when complete.

- DSG(2011)M006/A033: Roy Kirk to speak to George Farlow re potential local business for the supply of wood fuel.

George Farlow noted that this action was still ongoing. Derrick Milnes added that the Trades Council had raised this subject with Roy Kirk, HIE at an earlier meeting.

- DSG(2010)M002/A012: Eann Sinclair to develop a model on the economic impact and how this could be monitored to be shared with DSG and CNSRP Advisory Board.

Eann Sinclair noted that the study was ongoing and was due to report at the end of July/beginning of August.

- DSG(2011)M005/A017: Simon Middlemas to circulate socio economic benefits in contracts when complete.

June Love noted that this action had been recorded at the site restoration sub group. She stated that a draft paper had now been produced and would be tabled at the site restoration sub group and believed that the Chamber of Commerce would be actioned to collate comments from its members with a view to responding to DSRL on the draft paper. She would update members as this progressed.

5. UPDATES

- **Pensions:** At the last meeting Richard Stoneham had provided the sub group with an update on the Pensions Administration Office. Richard had continued to provide updates on a regular basis – DSG(2011)C207 refers – announcing extension to current contracts. In addition, members had received an invitation to attend the official opening of their new premises at Forss on the 27th July where John Thurso, MP would be officially opening the new offices.

Work was continuing under the agenda for change programme with Aon. Changes to working practices and systems were being introduced under the second phase of the programme which is due to be complete by the end of October 2011.

- **Archives:** Following discussion at the main DSG regarding the pre-consultation and outline planning for the national nuclear archives confirmation of dates was still awaited. The scope of work is currently being discussed and agreed between DSRL and the NDA.

Action: DSG/SESG(2011)M007/A002: Anna MacConnell to Simon Tucker to get a full update on the National Nuclear Archives.

6. DOUNREAY COMMUNITY FUND REQUESTS

Current requests for funding were tabled. Declaration of interests was tabled by Ronnie Johnstone (2011/040) and Koreen MacDougall (2011/056).

Ronnie Johnstone noted, that while not opposing the recommended funding for 2011/043 he would like to see more information. Eann Sinclair said he agreed with this.

Action: DSG/SESG(2011)M007/A003: DSRL to provide more information on funding request for 2011/043.

Ronnie Johnstone also noted requests from schools (2011/045 and 2011/055). While he recognised these requests were made via Parents associations he felt that these needed further consideration.

After a general discussion it was agreed that members would consider the current criteria for assessing funding requests. It was further agreed that requests 045 and 054 would be deferred until the criteria was discussed at the next meeting.

Action: DSG/SESG(2011)M007/A004: DSRL to provide a paper on the criteria for assessing funding requests for the Dounreay Communities Fund.

Action: DSG/SESG(2011)M007/A005: June Love to put Criteria for Dounreay Community Fund on next sub group agenda.

7. UPDATES ON SOCIO ECONOMIC ACTIVITIES

Eann Sinclair, CNSRP Programme Manager tabled DSG(2011)P046 (CNSRP Progress report, July 2011). The paper had been circulated in advance and was taken as read. Of note:

- Anna MacConnell noted some positive stories in the local press recently in relation to Numax at Bower and that the job figures for Business Gateway and North Highland Regeneration Fund were positive.
- Eann Sinclair noted that when the socio economic impact study was complete it would give a clearer picture of how the economy was progressing (in comparison with the 2006 study).
- Simon Coles, Babcock International Group, was now seconded part-time to assist HIE with inward investment activities.
- Bob Earnshaw noted that Scrabster Harbour had also recently announced a contract award for phase 1 of the redevelopment of the harbour.
- Ken Nicol noted that Dan Mistry, Culham had visited Caithness and had met with a number of local companies and had been briefed on the local infrastructure. Roy Kirk and Ken Nicol would be visiting Culham in August to further discuss local opportunities.
- Koreen MacDougall noted the improvement in the buses with bus connections from the station to Scrabster. It was also noted that new buses would come into effect on Monday from Inverness to Thurso with improved facilities.
- Anna MacConnell noted that, at present, there appeared to be a shortfall of pipeline projects coming through. CNSRP were looking at priority project with a view to funding via the partnership approach. Ken Nicol also confirmed that DSRL had a small amount of funding available but had not received any applications in this financial year. Bob Earnshaw asked whether the lack of applications affected the amount of funding that NDA could provide from its socio economic money. Anna MacConnell said that it would not affect the amount of funding available but applications were needed to secure funding for Caithness and North Sutherland. Anna stressed that NDA could only part or co-fund projects with other funders and the funders through the CNSRP Delivery Group would be looking at determining pipeline projects. Eann Sinclair said it was important that priorities were identified at project level.
- Eann Sinclair also noted that a structured approach to communications was being developed between the partners. He was keeping a record of how many stories were coming through into the local press. At present it averaged at one per week. He added that if any organisation was sending out a press release it would be useful if they copied Eann into it so he could add these to his records.
- Ken Nicol noted that the DSRL Socio Economic Development Plan, 2011/12 had now been published on DSRL's website (DSG(2011)C212 refers). He thanked members for their input (discussed at last sub group meeting). Any further input would be taken into account when developing next years' plan.
- Derrick Milnes also noted that North Highland College was progressing well with its Engineering Skills Centre. It was agreed that a presentation would be

requested at the next meeting.

Action: DSG/SESG(2011)M007/A006: Secretary to request a presentation on the Engineering Skills Centre at the next Socio Economic sub group meeting.

[Secretary's note: following meeting an update was received from the Caithness Chamber of Commerce which is included below.]

- Town Centre Development officer resigned in June after a period of ill health – Nicola Dreaves is covering in the interim. CCoC now has approval from LEADER to recruit 2 TCDO's one of Wick and one for Thurso to deliver a more intensive project. Nicola Dreaves has had a meeting with Gordon Mackenzie at Scrabster Harbour and we are working together to formulate a plan of action regarding the Cruise Ships and the Town Centre Development Project.
- The 'Make the Right Connections' programme is moving along with much of the preliminary work completed. We are working with 24 companies on capability reviews, and working with 2 companies with regards diversification training opportunities.
- We are working with Business Gateway on a supply chain diversification programme which will include looking at the opportunities (piece of work from MTRC programme) available to Caithness & north Sutherland and working with companies to help them take advantage of these – series of workshops on marketing, bid writing etc. The first event is scheduled for 18th August in the Castle of Mey
- There will be a delegation from Aberdeen Airport coming to Wick on 14th September & we are working with them to gather a group of similar stakeholders together to meet with them to see how both regions can work together to improve the Aberdeen – Wick air route.
- CCoC Annual dinner will take place on 23rd September with guest speaker Danny Alexander, Chief Secretary to the Treasury.
- Following an action on CCoC, we have facilitated meetings between Graham Construction and local companies. Feedback from the companies that took advantage of the meetings has been very positive, they feel that the meetings were both interesting and informative and some follow up has already taken place.

8. NDA COMPETITION UPDATE

Derrick Milnes noted that an update on the Dounreay site competition had been received – DSG(2011)C213 refers.

Derrick stated that it would be useful if DSG wrote to NDA asking to see their plan for announcing the preferred bidder in November 2011.

Anna MacConnell said that she would be drafting a communications strategy which will cover what would be happening for the announcement of the preferred bidder (who, where and when). This could be presented to the group in the 3rd or 4th week of September. Graeme Rankin, NDA's competition manager, was also willing to provide a verbal update.

Action: DSG/SESG(2011)M007/A007: Anna MacConnell to co-ordinate an update on the NDA competition with Graeme Rankin to Socio Economic sub group members (at an appropriate date in September) which will outline the plan for announcing the preferred bidder in November 2011.

9. NDA CREDIBLE AND PREFERRED FUEL OPTIONS

Derrick Milnes noted that NDA had published a paper on Exotic fuels, Crenatd5.4()JTJ0 -1.153 TDhe n
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Keith Muir asked if there was a reason why sea transport was not included in any of the options.

Ronnie Johnstone asked whether DSG could come to a view.

It was agreed that a letter would be written to NDA requesting information on the socio economic impacts of all options, ie ask for information of what the different costs are in terms of the total lifetime cost.

Action: DSG/SESG(2011)M007/A009: Secretary to write to Anna MacConnell requesting information on the difference of costs in terms of total lifetime costs for all credible options.

10. CORRESPONDENCE FOR NOTING

Derrick Milnes noted a number of correspondence had been circulated to members for noting. These were:

- DSG(2011)C205: DSG summary
- DSG(2011)C201: Reform of air passenger duty
- DSG(2011)C206: Physiotherapy & x-ray at Dunbar

Ronnie Johnstone noted there was some confusion on the future of Dunbar hospital. He felt it was not clear whether the Highland Health Board had a plan for Dunbar and given the recent revelations of Southern Cross this was now an important issue. It was agreed to write to HHB to ask to see a copy of their short and long term plan for Dunbar hospital.

George Farlow noted that the next CHIP meeting would be held on 16th August and it might be worthwhile asking for this to be put on the agenda of that meeting.

Action: DSG/SESG(2011)M007/A010: Secretary to write to Pauline Crow requesting the Highland Health Board short/long term plan for Dunbar hospital.

- DSG(2011)C208: NDA briefing, June 2011
- DSG(2011)C193: Crown Estates, Wave & Tidal

Eann Sinclair noted that the CNSRP had received an unhelpful response from the Crown Estates regarding the replacement of the Wave and Tidal project manager based in Caithness. At present Crown Estates were currently recruiting in Edinburgh and London. Eann would provide an update for DSG members to consider whether further action is necessary.

Anna MacConnell asked whether there was an opportunity to link this with the Princes Foundation on-shore visioning. Eann Sinclair responded that Highland Council was applying some pressure on this front. Anna asked whether the Princes Foundation was aware of the issue of recruitment within Crown Estates. Eann confirmed that they were

Action: DSG/SESG(2011)M007/A011: Eann Sinclair to provide further clarification to the replacement of the Wave and Tidal Project Manager (Crown Estates) based in Caithness.

- DSG(2011)C196: Pelamis Scoping study

- DSG(2011)C215: Meygen scoping study
- DSG(2011)C220: NDA briefing, July 2011

11. **ANY OTHER BUSINESS**

Derrick Milnes noted the following:

- **Key Influencers document:** Members had all received a copy of the draft key influencer's document. He felt that this was a useful document for all members and urged members to provide the secretary with any further contacts or updates as required.

Action: DSG/SESG(2011)M007/A012: All DSG Socio Economic sub group members to provide the Secretary with updates and additions for the key influencer's document.

- **Meygen socio economic assessment:** DSG(2011)C217 refers. Meygen had written to DSG inviting comments on the scoping document for socio economics. Members agreed that the Secretary would draft a response and circulate for comments/approval.

Action: DSG/SESG(2011)M007/A013: Secretary to draft response to Meygen's

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that members could understand SDI's remit.

Action: DSG/SESG(2011)M007/A015: Secretary to write to Roy Kirk, HIE requesting a meeting be organised for members of DSG Socio Economic sub group to meet with a representative from SDI to understand SDI's remit and how this impacts on Caithness and North Sutherland.

- Bob Earnshaw noted that he had heard Rob Gibson's recent radio interview on the issue of spent fuel. He felt that DSG would benefit from an early meeting with Rob to discuss stakeholder group issues.

Action: DSG/SESG(2011)M007/A016: Secretary to write to Rob Gibson, MSP to invite him to meet with representatives of the DSG.

- Bob Earnshaw stated that a small working group had been formed to discuss Anne Chard's report on her recent visit to Stockholm. The working group had met and had agreed that that it was an appropriate time to review DSG with a view to identifying the focus required for the next 10 years. Further work was ongoing to define the aims and objectives and this would be shared with members before being finalised.

There being no further business Derrick Milnes thanked everyone for their input and closed the meeting.

Derrick Milnes
DSG Socio Economic sub group chairman
24th July 2011

APPENDIX 1 – STATUS OF ACTIONS

ACTIONS ARISING FROM THIS MEETING

DSG/SESG(2011)M007/A001: Eann Sinclair to circulate paper on Enterprise Zones when complete.

DSG/SESG(2011)M007/A002: Anna MacConnell to Simon Tucker to get a full update on the National Nuclear Archives.

DSG/SESG(2011)M007/A003: DSRL to provide more information on funding request for 2011/043.

DSG/SESG(2011)M007/A004: DSRL to provide a paper on the criteria for assessing funding requests for the Dounreay Communities Fund.

DSG/SESG(2011)M007/A005: June Love to put Criteria for Dounreay Community Fund on next sub group agenda.

DSG/SESG(2011)M007/A006: Secretary to request a presentation on the Engineering Skills Centre at the next Socio Economic sub group meeting.

DSG/SESG(2011)M007/A007: Anna MacConnell to co-ordinate an update on the NDA competition with Graeme Rankin to Socio Economic sub group members (at an appropriate date in September) which will outline the plan for announcing the preferred bidder in November 2011.

DSG/SESG(2011)M007/A008: Anna MacConnell to identify date when Direct Rail Services would meet with Caithness Transport Forum to rail transportation.

DSG/SESG(2011)M007/A009: Secretary to write to Anna MacConnell requesting information on the difference of costs in terms of total lifetime costs for all credible options

DSG/SESG(2011)M007/A010: Secretary to write to Pauline Crow requesting the Highland Health Board short/long term plan for Dunbar hospital.

DSG/SESG(2011)M007/A011: Eann Sinclair to provide further clarification to the replacement of the Wave and Tidal Project Manager (Crown Estates) based in Caithness.

DSG/SESG(2011)M007/A012: All DSG Socio Economic sub group members to provide the Secretary with updates and additions for the key influencer's document.

DSG/SESG(2011)M007/A013: Secretary to draft response to Meygen's scoping document on socio economics and circulate to members for comment /approval

DSG/SESG(2011)M007/A014: DSG to write supporting John O'Groats as a destination for the Olympic torch.

DSG/SESG(2011)M007/A015: Secretary to write to Roy Kirk, HIE requesting a meeting be organised for members of DSG Socio Economic sub group to meet with a representative from SDI to understand SDI's remit and how this impacts on Caithness and North Sutherland.

DSG/SESG(2011)M007/A016: Secretary to write to Rob Gibson, MSP to invite him to meet with representatives of the DSG.

ACTIONS ONGOING FROM PREVIOUS MEETINGS

DSG(2011)M006/A021: Roy Kirk to speak to Doosan Babcock to understand the reasons for not remaining in the county and to learn lessons for the future.

DSG(2011)M006/A028: Secretary to draft letter supporting business use for the air discount scheme.

DSG(2011)M006/A032: June Love to circulate date of Highland Council on community benefit workshop when available.

DSG(2011)M006/A033: Roy Kirk to speak to George Farlow re potential local business for the supply of wood fuel.

DSG(2010)M002/A012: Eann Sinclair to develop a model on the economic impact and how this could be monitored to be shared with DSG and CNSRP Advisory Board. *Action ongoing – study has been commissioned.*

ACTIONS COMPLETED

DSG(2011)M006/A007: Secretary to write to all DSG members to ask for volunteers to sit on a working group to consider the report and recommendations from the FSC workshop. *Action complete – Chairman identified representatives for working group and this has been followed up. A first meeting would take place before end July 2011.*

DSG (2011)M006/A012: Joe Kane to provide information on the collaborative procurement projects to the Secretary. *Action complete – DSG(2011)C191.*

DSG (2011)M006/A016: Secretary to put issue of credible options for plutonium management to Socio Economic sub group meeting to consider how it could potentially impact on funding for the Dounreay site. *Action complete – on agenda for 20th July 2011 sub group meetings.*

DSG(2011)M005/A017: Simon Middlemas to circulate socio economic benefits in contracts when complete. *Action complete – draft paper will be tabled at site restoration sub group meeting on 20th July 2011.*

DSG(2011)M005/A022: Ken Nicol to provide members with a copy of the DSRL Socio Economic Development plan was approved by NDA (after March 2011). – *Action complete – see DSG(2011)C212.*

DSG(2011)M006/A024: Socio Ec sub group to send letter to Crown Estates emphasising importance of retaining a post in Caithness following Duncan Mackay's resignation. *Action complete – DSG(2011)C196.*

DSG(2011)M006/A025: Eann Sinclair to circulate information on Enterprise Zones to the DSG Socio Economic sub group members. *Action complete – new action assigned.*

DSG(2011)M006/A026: Ken Nicol to circulate response to Pelamis Scoping Opinion to DSG Socio Economic Sub group members. *Action complete.*

DSG(2011)M006/A027: DSG to draft a positive statement on the progress of CNSRP. *Action complete.*

DSG(2011)M006/A029: Koreen and June to draft response for Caithness Partnership and DSG to respond to consultation on the reform of air passenger duty – Action complete – see DSG(2011)C201.

DSG(2011)M006/A030: Secretary to draft letter to Babcock regarding its review of the PAO and ambitions to expand. *Action complete – DSG(2011)C194*

DSG(2011)M006/A031: June Love to circulate NDA's credible options papers on fuel when available at the end of June. *Action complete – on sub group agenda for 20th July 2011.*