

DOUNREAY STAKEHOLDER GROUP

Minutes of the meeting held on Wednesday 13th June 2012 in the Pentland Hotel, Thurso.

Present: Bob Earnshaw DSG Chairman (Thurso Community Council)
 Alastair MacDonald DSG Honorary member
 David Flear DSG Vice-chairman
 Anne Chard Caithness West Community Council
 Nicola Dreaves Caithness Chamber of Commerce *
 Alan Scott Caithness Contractors Consortium
 John Deighan Dounreay Unions
 Derrick Milnes Thurso & Wick Trade Union Council
 Roy Kirk Highlands and Islands Enterprise
 Eann Sinclair Caithness & NS Regeneration Partnership
 Koreen MacDougall Caithness Partnership
 Cllr Roger Saxon Highland Council
 Cllr George Farlow Highland Council
 Ronnie Johnstone Church of Scotland
 Gordon Jenkins North Highland College
 Ranald MacAuslan Caithness Voluntary Group *
 Maurice Davidson Orkney Islands Council
 Deirdre Henderson Buldoo Residents Group
 Pauline Crow Health Service
 Ross Mackenzie Health Service

In addition: Roger Hardy MD, Dounreay
 Nigel Lowe NDA
 Peter Watson ONR (DSRL)
 Roger Wilson SEPA
 Cdr Ken Dyke MOD, Vulcan
 Lt Cdr Rory Stewart MOD, Vulcan
 David Mudie Highland Council, Planning
 June Love DSG Secretariat, DSRL

* denotes deputies.

MINUTES

1. WELCOME AND INTRODUCTIONS

Bob Earnshaw, DSG Chairman welcomed everyone to the meeting. He noted a number of changes to members as follows:

- Ross Mackenzie, Health Service replaces Pauline Crow

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- Jean Lipa, Association of Caithness Community Councils replaces Donald Mackay.
- The Highland Council reps have now been appointed – these are Roger Saxon, Alex MacLeod, Willie Mackay and George Farlow.
- Maurice Davidson, Orkney Islands Council replaces Steven Heddle.
- Peter Watson, ONR replaces Peter Dickenson
- Commander Ken Dyke, Vulcan replaces Michael Moreland
- Ian Miller, DNSR replaces Stuart Currie
- Roger Hardy, Managing Director Dounreay replaces Simon Middlemas.

Bob also welcomed Nigel Lowe, NDA Head of Programme for Dounreay, who was attending his first meeting. He placed on record thanks to all those who had left DSG and wished them well for the future.

He noted there were two presentations to be covered and therefore subgroup reports would be kept relatively short.

2. APOLOGIES

Apologies were received from:

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| ▪ Ian Miller | DNSR (Vulcan) |
| ▪ Trudy Morris | Caithness Chamber of Commerce |
| ▪ Martin MacDonald | Scottish Government Radwaste team |
| ▪ Brian Mutch | Rural Payments & Inspection Department |
| ▪ Sandy Mackie | Scrabster Harbour Trust |
| ▪ John Green | Caithness Voluntary Group |
| ▪ Murray Lamont | North Highland Tourism |
| ▪ Alex MacLeod | Highland Council |
| ▪ Stephen Saunders | ONR (Vulcan) |

3. MINUTES OF LAST MEETING

The minutes of the last meeting – DSG(2012)M001 – had been circulated to members in advance of the meeting. It was agreed that these were a true reflection of the meeting. This was proposed by John Deighan and seconded by David Flear.

No issues were raised from minutes.

4. STATUS OF ACTIONS

The action status had been circulated in advance. A number of actions had been progressed since the last meeting and actions raised at the sub groups in April and May was included. Actions discussed were as follows:

- DSG(2012)M001/A004: Secretary to put emergency planning onto agenda for next site restoration sub group meeting.

This was discussed at the business meeting and will be explored further under the DSG review.

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- DSG(2011)M006/A033: Roy Kirk to speak to George Farlow re potential local business for supply of wood fuel. Roy Kirk noted that this action was ongoing.

Bob Earnshaw stated he did not intend to go through all the actions in detail and highlighted the following:

- A working group had been identified to take forward the DSG review paper. The group would consist of David Flear, Eann Sinclair, John Deighan, Alan Scott and Anne Chard. The first meeting was scheduled for 26th June.
- At the last sub group meeting NDA had provided an update on the National Nuclear Archives and the NDA Board were due to consider the business case at the end of May. Nigel Lowe stated he would cover this in his presentation.
- A letter had been written to the Maritime and Coastguards asking for a response on the removal of emergency tug vessels in relation to risks when transporting nuclear material by sea. A response was still outstanding. It was noted that indications were that one emergency tug would remain but it was unclear where it would be based.
- Following on from the site restoration sub group meeting Scottish Government was contacted about representation on the Higher Activity Waste Technical Advisory Group. Originally there had been invitation for one SSG chair to represent Chapelcross, Hunterston and Dounreay but it had been felt that it would be more useful if all three sites were represented. Scottish Government had responded saying they are currently assessing governance arrangements for the project and the review will include consideration of how they most effectively involve the SSGs in the process.

5. VULCAN UPDATE

Bob Earnshaw reported that an update on Vulcan had been provided at the last site restoration sub group meeting held in April. Of note:

- Business as usual for Vulcan with continued trials programme
- The Lonestar exercise was scheduled to take place on 27th June 2012.
- No lost time accidents since the last meeting.

Rolls Royce had also provided a written update – DSG(2012)P010 refers and this had been circulated to all members for information. Highlights from the report were:

- Rolls Royce continued to focus on current reactor operations.
- Safety remains key and the Vulcan site has achieved 602 days without any lost time accident.
- New contract work in excess of £30M for submarine related work on site has been awarded to Rolls Royce.
- UK Secretary of State, Michael Moore MP and John Thurso visited Vulcan on the 2nd April. I believe this was a very positive meeting.
- Four new apprentices have been taken on by Rolls Royce which is pleasing to hear. A further four apprentices have now completed their apprenticeship and have been taken on by Rolls Royce. There are 16 apprentices in training at present.

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Bob stated that he felt it had been a very positive report from Rolls Royce.

Bob noted that Michael Moreland had now left Vulcan and Cdr Ken Dyke was attending his first meeting. He invited Ken Dyke to provide a verbal update. Of note:

- The DSG letter to MOD with regards the future for the site had been received and was being dealt with.
- Reactor operations were continuing as per programme.
- Exercise Lonestar to be held on 27th June would be assessed by ONR and DNSR.
- Future programme is focused on completing trials on the reactor.

There were no issues raised.

6. BUSINESS MEETING UPDATE

Bob Earnshaw reported. The business meeting had met on 11th May. Of note:

- Issues arising from the socio economic and site restoration sub groups were discussed.
- The agenda for this meeting had been agreed.
- The DSG review was discussed (reported under agenda item 4).
- A briefing on fuel and waste at Dounreay had been provided.

For completeness the actions from the Business meeting are recorded here:

ACTION: DSG(2012)M002/A001: June Love to write to HIE to clarify DSG membership.

ACTION: DSG(2012)M002/A002: Secretary to write to NDA requesting a presentation at the June meeting to describe the difference between the old contract and the new one.

ACTION: DSG(2012)M002/A003: Secretary to write to BDP requesting a presentation at the June meeting to outline what was in the bid for site decommissioning and commitments made to socio economics.

ACTION: DSG(2012)M002/A004: Secretary to write to Alan Ogg, ETEC to reschedule presentation on ETEC following its official opening.

ACTION: DSG(2012)M002/A005: Secretary to circulate draft agenda to all DSG members requesting additional agenda items.

ACTION: DSG(2012)M002/A006: Secretary to write to all members asking for volunteers to take part in small working group to take DSG review forward.

7. SITE RESTORATION SUB GROUP REPORT

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George Farlow reported. The site restoration sub group had met on 25th April and the minutes – DSG/SRSG(2012)M002 - had been circulated in advance. Of note:

- Dounreay would submit a new reformatted report to the sub group for consideration.
- ONR provided a briefing note on safety and security responsibilities of the Transport of Radioactive Material in Great Britain.
- SEPA's consultation on low level waste authorisation had been delayed until end of June.
- The NDA Board had visited Dounreay at the end of May.
- NDA had been conducting audits on a small number of projects being delivered by site to determine the project completion status at the point of PBO handover.

He then invited verbal updates from the following:

Dounreay: Roger Hardy reported the following:

- It was now 11 weeks since Babcock Dounreay Partnership (BDP) had signed the contract.
- There had been one lost time accident in this period. A person had slipped in the shower resulting in time off work.
- The emergency exercise had been postponed due to a power dip when software was being updated. While back-up power had kicked in it had been agreed it would not have been sensible to continue with the emergency exercise and this would be rescheduled later this year.
- The new organisation is now in place with all new secondees now on site. The workforce had been very helpful from the point of transition through to share transfer and it was to their credit that safety and performance continued well while all the changes were taking place. He noted he would like to place on record his thanks to the existing team and those who had subsequently departed for their professionalism throughout these uncertain times. There had been three of the existing management team who had now left Dounreay. All three – Simon Middlemas, Tony Wratten and Michael Dunnett – were now working within Babcock.
- The remediation of Landfill 42 was now complete.
- The bulk NaK destruction at DFR was now complete.
- The shaft and silo project was now on the critical path and work had commenced to build up the team to take this project forward. The team had grown from 3 to 28 and further people would be identified shortly. It was estimated that a team of 60 would be required.
- Discussions with the regulators were underway on waste containers and this was moving forward positively. Safety cases were now required.

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- The new low level waste disposal facility was progressing well and Roger Hardy extended an invitation to members to visit the facility.

George Farlow noted that Phil Cartwright had been involved in providing some expertise to assist with the Fukushima event. Roger Hardy responded that they had asked by UK Government to provide some support and Norman Harrison had been part of the Prime Minister's delegation to visit the area. Phil Cartwright had also been asked to provide advice on seabed particle recovery especially in relation to the assessment of particle plumes. This was a good example of where experience from Dounreay leads the world. There may be further work but this has not yet been identified. However it was clear that the Japanese were looking for experience to help solve their issues.

ONR (Dounreay): Peter Watson reported:

- He had recently taken over from Peter Dickenson as site inspector and was looking forward to interacting with DSG. He has 28 years' experience as a nuclear inspector and has been a site inspector at various nuclear sites and placed on record his thanks to Peter Dickenson for his commitment during his period at Dounreay.
- The ONR team at Dounreay had been increased with three additional inspectors and access to others who had particular expertise in specific areas.

Peter Watson noted that at the last site restoration sub group meeting a question had been raised about the maintenance regime asking whether it was equipment or human issues. He noted that he had asked DSRL whether equipment received back from maintenance was fit for purpose and DSRL had been positive in taking this forward.

SEPA: Roger Wilson reported:

- On a personal note, his role in two long term projects – supporting UKAEA transition followed by PBO competition and also the low level waste facility – had come to an end. In view of wer{s)5(co)11(m)-5(m)-s()-5(s)10(i)-6(o)11(r)6(i)-6(n)1(g)1()-5(p)11(r)-4(o)1(g)1a com

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as challenges and governance from the regulators.

- The NDA Board had visited Dounreay at the end of May and feedback had been very positive.

John Deighan noted that part of the remit of the DSG was to consider contracts. He felt it was important to ensure that DSRL maximise the benefit at a local level when awarding contracts. Having just read that Grahams Construction had recently been awarded a contract for the encapsulation plant required for the low level waste facility he was interested to know whether the company was intending to employ local apprentices and labour as well as utilising the local supply chain for sub-contracts. He called for the Highland Council, HIE and the Chamber of Commerce to ensure that the local conditions were right to help bring on the local young people in the construction industry.

John also noted that, while there is plenty of inward investment for training opportunities, the Job Club set up to help unemployed back into work has ceased to operate due to lack of funding. The Trade Unions had lobbied their elected officials to rectify this situation and emphasised that if there was no support to help write CVs, mock interviews to get people back into work then the community has failed them.

Roy Kirk responded that while he appreciated and endorsed the sentiment, recognising that construction had been hard hit in recent times. There were issues about using public monies to support work that had been won in a competitive tender.

It was questioned whether there were any socio-economic criteria included in the encapsulation plant contract. Roger Hardy agreed to look into this.

ACTION: DSG(2012)M002/A006a – Roger Hardy to identify whether socio economic elements had been included in the contract.

Roger Saxon noted that part of Highland Council's plan was to try to improve employment prospects for youngsters and believed the model that North Highland College had recently announced was a good model.

John Deighan added that the community is awash with money for training and while he understood HIE's position he believed there was an opportunity to train people up and it would be a scandal to lose it.

Gordon Jenkins responded that if North Highland College could be part of the solution he would be happy to help.

George Farlow noted that he had recently made a press statement regarding movement of fuel and we, as a county, should be considering the dis-benefits to the area from moving the fuel and making the case for some socio economic funding based on real projects coming forward.

David Flear added that it would be important for Highland Council to be kept in the loop. There was an expectation that there would be socio-economics other than a crane.

Nigel Lowe said he would be happy to take an action to discuss with NDA HQ.

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ACTION: DSG(2012)M002/A007: Nigel Lowe to discuss the comments made with regards fuel movements and benefits with NDA HQ.

For completeness the actions from the Site Restoration Sub Group meeting are recorded here:

ACTION: DSG(2012)M002/A008: June Love to check wording on paragraph relating to the particles plume before finalising minutes.

ACTION: DSG(2012)M002/A009: Alastair MacDonald (BDP) to consider how the site can report more accurately on the number of contractors working on the Dounreay site on a regular basis.

ACTION: DSG(2012)M002/A010: Alastair MacDonald (BDP) to draft a Period 1 report using the Dounreay report template to allow members to comment on the substance of the report.

ACTION: DSG(2012)M002/A011: Secretary to write to Maritime and Coastguards to clarify the safety implications of waste shipments with the removal of the emergency tug vessels.

ACTION: DSG(2012)M002/A012: Secretary to write to ONR to request information on what consultation ONR will carry out between various bodies along a transport route for nuclear materials.

ACTION: DSG(2012)M002/A013: : Secretary to organise discussion with Alex Anderson, George Farlow and David Flear on the subject of DFR breeder fuel moves by rail.

ACTION: DSG(2012)M002/A014: June Love to request documents relating to the low level waste site for tabling at site restoration sub group meetings.

ACTION: DSG(2012)M002/A015 Secretary to put Buldoo representation at DSG on next business meeting agenda for discussion.

ACTION: DSG(2012)M002/A016: Secretary to write to Scottish Government

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- CNSRP would be providing a summary of employment statistics and also the website link to the socio economic study when published.
- The Dounreay Community Fund rules were reviewed and amended and there is now a stronger link with the Caithness & North Sutherland Fund. The Fund received a £10,000 donation for the Communities Fund from ROMAR, company who the contract to supply personal protective equipment across the NDA estate.
- CNSRP provided a written update – DSG(2012)P006 refers.
- Confirmation of completion of the railhead at Georgemas was awaited and when ready DRS will invite members of DSG and the Caithness Transport Forum to visit to site.
- Dounreay is submitting a new socio economic plan to the NDA in light of the new contract award on the 2nd April. The plan will be with NDA on 30th June and subject to approval will be taken forward with DSG and CNSRP. Related to the socio economic plan going forward Babcock Dounreay Partnership had intimated their plan to focus on jobs.
- Chamber of Commerce is being kept busy with a number of projects including Make the Right Connections, which is going very well and the launch of the Innovation Challenge which NDA and Dounreay are both supporting.
- The Babcock Pensions Office continues to work with Aon on the Agenda for Change programme and will shortly be moving systems onto a new modern platform. It was good to see Pensions Office sponsoring the Mey 10K event and also kit for a local football team.

Members were then invited to provide updates:

- Eann Sinclair noted that there was a healthy level of private sector interest in investing in the area.
- Nicola Dreaves thanked NDA and Babcock Dounreay Partnership for their support for the Innovation Challenge.
- Koreen MacDougall noted that the Caithness and North Sutherland Fund had recently awarded funding for nine projects with another 10 coming forward. The total amount awarded so far as approx £200,000. David Flear added that the projects supported were spread across the travel to work area.
- David Flear noted that there was also more interaction between the North Highland Regeneration Fund and the CNS Fund.

No further issues were raised.

For completeness the actions from the Socio Economic Sub Group meeting are recorded here:

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ACTION: DSG(2012)M002/A017: Koreen MacDougall, Caithness Partnership to provide a written update on progress with Berriedale Braes.

ACTION: DSG(2012)M002/A018: Anna MacConnell, NDA to continue to keep DSG updated on progress of national nuclear archives.

ACTION: DSG(2012)M002/A019: Bob Earnshaw, Thurso Community Council, to provide update to DSG on status of Tesco's proposed new store at the old mart, Thurso.

ACTION: DSG(2012)M002/A020: Eann Sinclair to provide DSG with summary of employment statistics.

ACTION: DSG(2012)M002/A021: Eann Sinclair to send June Love website link to economic study when published.

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responded that December 2012 was the date for the lifetime plan to be finalised and then placed under change control. Therefore at present the date was the best estimate but remained fluid.

- Alan Scott noted that one of the remits of the DSG was to ensure value for money from the NDA and PBO. This had been discussed at the last site restoration sub group meeting. He asked how value for money could best be scrutinised. Nigel Lowe responded that the National Audit Office (NAO) regularly audited the site and the reports were made publicly available on the website.

ACTION: DSG(2012)M002/A028: June Love to distribute previous audit report from the NAO to DSG site restoration sub group members.

- Rory Stewart asked whether, given Scottish Government's policy on nuclear, would they support the National Nuclear Archives in Wick. Nigel Lowe responded that as far as he was aware Scottish Government were supportive.
- Roy Kirk stated that he found the presentation very informative. He noted that mention had been made of PBIs (performance based incentives) and would welcome the opportunity to know what these were especially in the socio economic area to ensure there was no duplication of effort between the various agencies. Nigel Lowe responded that, in addition to the PBIs on socio economics, there were a number of other PBIs related to site activities.
- Roy Kirk also noted that the NDA required the site to produce an annual socio economic plan. He stated it would be useful for stakeholders to have sight of the plan before it is agreed. It was confirmed that the plan would be submitted to NDA by the 30th June and following receipt the plan would be shared with CNSRP and DSG.
- Roy Kirk stated he would be interested in hearing about the work that DRS (Direct Rail Services) were pursuing in relation to rail transport.
- Roger Saxon stated that, during the presentation there was mention made to cost, time and quality but wanted assurances that all three were achievable. Nigel Lowe responded that he believed they were.
- Roger Saxon asked if when the NDA are in a position to let a contract for the construction of the National Nuclear Archives they would consider putting socio economic elements within the contract. Nigel Lowe said he would look into this.

ACTION: DSG(2012)M002/A029: Nigel Lowe to discuss socio economic elements in contract (in relation to National Nuclear Archives) with project team.

- Roy Blackburn (member of the public) noted there had been no mention of safety and the environment. Roger Hardy responded that health, safety, security and the environment were a given. Nigel Lowe added that health and safety performance indicators were included in the balance score card which is submitted to NDA as part of one of the PBIs.

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- Louise Smith (member of the public) stated that given the 10 year period left for site decommissioning it does focus the minds on job creation. She asked if there was an argument for the socio economic fund (£500K per year) to be spent as soon as possible to get maximum effect and if so was there a mechanism to do that. Nigel Lowe responded that they had elected to fund socio economics on a yearly basis and therefore there was no opportunity to front end load this.
- Ranald MacAuslan noted the shortened timescale for decommissioning the Dounreay site. He asked whether there was a possibility that the timescale could be further shortened. Nigel Lowe responded that unless new innovative ideas came forward it would be unlikely. Ranald asked whether the NDA felt the date of September 2023 was realistic. Nigel Lowe confirmed the NDA believed it was.

Bob Earnshaw thanked Nigel Lowe for his presentation.

10. PRESENTATION ON SITE DECOMMISSIONING AND SOCIO ECONOMIC COMMITMENTS

Roger Hardy, Managing Director, Dounreay provided the presentation. DSG(2012)C054 refers. Of note:

- Safety and quality were absolutes – all three partner organisations have businesses in the nuclear industry and would only continue to be successful if safety and quality is not compromised.
- A closure date of 14 September 2023 had been identified but work was still ongoing on the new lifetime plan. Currently there was a date range identified – between 2022 – 2025.
- The closure contract will be delivered to a target price of £1.6bn.
- The best measure for value for money was the contract itself. The costs have been reduced by 47% following a robust review of the site plans.
- Particle monitoring and commitment to provide plans to final end state are included in the contract although BDP are contracted to take the site to its Interim End State. Part of contract is to identify what is needed between interim and end state.
- Interim end state was clearly important with a subset of 30-40 pages in the contract.
- In the contract at present all Exotic fuel is to remain on site. The NDA has already confirmed that DFR breeder fuel will be transported to Sellafield and were currently considering the options for Exotic fuels. If the decision is to transport exotic fuel to Sellafield there would be a formal change to the relevant parts of the contract.
- Commitments on Socio economics in the bid and NDA contract:
 - Land and property: There is a potential for re-use of land and/or property. This will be considered primarily for spin-offs of existing site services but if there is

interest expressed by others these would be considered on a case by case basis.

- The bid said that the SLC commitments would be honoured and would comply with the NDA socio economic policy.
 - Staffing profiles would be produced and submitted to NDA as well as making this information available to CNSRP. This year, it is expected a small number of people (in the 10s) would be surplus and a handful of jobs going forward. Most staff will be redeployed to other projects if their current post is not required.
 - The Parent Body Organisation (PBO) brings experience from Babcock International Group, CH2MHILL and URS. Babcock is now a FSTE 100 company – 82nd in the listing in the UK and biggest engineering employer in Scotland. Babcock's position means that they can lever some influence and will utilise this experience.
 - The contract includes the production of a 3 year rolling socio economic plan and ring fenced funding of £500K for socio economic activity. This is a minimum to spend on socio economics and other initiatives, if appropriate, will be considered on a case by case basis.
 - Socio economic activity will concentrate on what we can do to grow. The timing can be quite tricky. Some opportunities may be successful in a six year horizon then could fall off the cliff. Main objective is to concentrate things that are sustainable. Some of the activities will be slow to build and have a long gestation.
 - Approximately 50% of the Managing Director's time will be spent on socio economic activity.
- Socio economic areas:
- Nuclear decommissioning: There is a good team at Dounreay who have developed new techniques and there is potential to spin off and exploit this. There is decommissioning work in the UK and in Europe and key is to identify someone entrepreneurial enough to take this forward.
 - Non-nuclear decommissioning: There are other industries that require decommissioning which are not nuclear but very similar in its approach to decommissioning. Some will develop in the timeframe of the Dounreay programme. First step is to set up a bid and win function.
 - Advanced manufacturing: There may be an opportunity for some manufacturing capability to be sited in Caithness.
 - Back office services: There is potential to take services supplied from the site and spin them off as stand alone services.
 - Creative industries: May have some relevance in Caithness and needs to be developed further.

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- Renewables: Babcock International Group recently announced joint venture with Vattenfall on wave and tidal streams engineering support work (manufacture).
- Roger Hardy asked for some patience from stakeholders as some of these ideas could take a long time to come to fruition. Some projects can take months or years from inception to gestation. Babcock at Rosyth is building a container port which has taken 2½ years to get to this point.
- Operating in a hard environment and business practice is to say nothing about what is being done until it is secured. At times there will be commercial confidentiality for some projects.

The following questions were raised:

- Alan Scott asked if the workforce transition applied to the supply chain as well as DSRL staff. Roger Hardy responded that transition was for DSRL staff however socio economic activities would benefit the entire Dounreay workforce.
- Ronnie Johnston stated that he was delighted to hear about your socio economic commitments but referred to the last socio economic sub group minutes Alastair J MacDonald informed the group of reductions in funding for the Dounreay Community Fund, and removal of sponsorship for the Halkirk Games, Country Show and the Country and Western Music festival. He felt that the presentation provided had been welcomed by members and that it had been positive but questioned the rationale behind these decisions.

Roger Hardy responded the focus for socio economics going forward would be to concentrate on the GDP and attract work to the area. Last year charitable donations from Babcock had resulted in 83% of the spend being in Caithness. His effort now would be on jobs and economic growth.

Ronnie Johnston replied that while he appreciated maintaining or increasing the GDP was important sponsoring the likes of the Country Music Festival also brought about socio economic benefit for the hotels, restaurants and local shops. He just wanted to understand the sudden transformation. He went on to say that Babcock had made an impact when the competition was in progress but now that the competition was over there had been a change of attitude. He asked what would make him believe anything else said now pointing out that public perception is low at the moment and perception is a reality.

Roger Hardy responded that he understood this position. However when BDP were bidding for the contract the decision taken to sponsor some of these events was to allow BDP to market themselves to the community. Now that the contract had been won their mission was to promote Caithness and North Sutherland to the UK and wider.

David Flear added that perception was important. As a new company coming into Caithness perception was there was a commitment to this area. While information had been shared tonight, and he welcomed the information provided, it was important to recognise that if it all goes quiet again for a period the perception would

be that BDP has withdrawn its support.

- David Flear noted that the interim end state would be achieved by 2023 and queried whether the off-shore particle clean-up would be achieved by then. Roger Hardy responded that they were contracted to continue to recover particles off-shore and would expect this to continue over the next few years. All the information collected from the off-shore clean-up was provided to the Particles Advisory Retrieval Group (PRAG(D) who provide expert advice to SEPA which will culminate in identifying an end state for particle clean-up.

Roger Wilson confirmed that SEPA would consider the end state under the Radioactive Contaminated Land regulations taking advice from PRAG(D).

- David Flear asked whether the existing low level waste pits would be emptied. Roger Hardy confirmed that all Low Level Waste would be disposed of in the new facility. Deirdre Henderson noted that she was not aware that the existing pits would be disposed of in the new facility. She asked if that meant more vaults were required.

It was explained that the planning approval had been for six vaults (2 vaults in each phase) had always included the capacity to take low level waste from the existing pits.

David Mudie, Highland Council Planning confirmed that planning approval was for six vaults. He confirmed that Dounreay had planned for best and worse case scenarios. Worse case was that all three phases (six vaults) would be required. However if waste minimisation was successful it was believed that two of the vaults would not be required. He confirmed there was detailed plans for the six vaults.

Bob Earnshaw noted that his understanding was that planning permission had been granted for six vaults which included low level waste from the existing pits.

David Flear added that his understanding was that planning was for six vaults but only four of these may be needed. It was not a case for additional vaults to be built.

ACTION: DSG(2012)M002/A030 - DSRL to provide information, previously distributed, on the requirements for the six vaults.

- Roger Saxon asked about whether supporting business plans for SMEs was only for DSRL staff or would it extend to the supply chain? Roger Hardy responded that if someone had an idea and needed help he would be happy for them to speak to him or one of his team.
- Deirdre Henderson suggested that if investors were being invited to visit the area they should be encouraged to stay longer than a day. Roger Hardy replied that the investors which he would be trying to attract were people who wanted to be able to fly in and out on the same day.
- George Farlow noted that during the presentation it had been intimated that the workforce would be pretty stable over the next 7 years. He asked whether the small

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reduction of staff in early years would be done through natural wastage. Roger Hardy responded that he hoped so but could not guarantee because it would depend on the skill set required. He added that natural wastage would be a strong potential.

- Roy Kirk thanked Roger Hardy for an informative presentation. He noted there had been a statement on supporting CNSRP and that there had also been mention of back office support and support to renewables. He welcomed this support and asked whether Dounreay would be working with HIE and others to take some of these forward. He noted that HIE were also working on attracting back office support to the area, and while he was not aware of the details of the site's PBI (performance based incentive) for back office support he felt it would be important to work together to ensure that there was no duplication of effort.

Roger Hardy responded that he was willing to work with HIE and other agencies to ensure that there was no duplication or confusion. He indicated that the secondee arrangements to HIE to support inward investment would continue.

- Roy Kirk also noted that there had been mention of the requirement for additional trades and skilled staff. HIE were also keen to explore this area and it would be useful to have a further discussion on this via CNSRP. Roger Hardy agreed this would be useful.

ACTION: DSG(2012)M002/A031 – DSRL and HIE to discuss requirement for trades and skilled people.

- Roy Kirk also noted the discussion on advanced manufacturing. He stated there were some excellent examples of manufacturing in Caithness. He added that there would be a 1000te heavy lifting capability at Scrabster once the phase one development of the harbour was complete.
- Roy Kirk noted that non disclosure agreements had not been necessary with other parts of the Babcock group. He understood the issues around confidentiality and indicated that the agencies would be willing to sign non disclosure agreements.
- Ranald MacAuslan said that creative industries had been mentioned as part of the presentation and took on board the point made about increasing the GDP because that was the right thing to do for the economy. He asked what was meant by creative industries. Roger Hardy responded that he was going to request confidentiality on this one at present. Roger added that he was trying to identify an economic base which would be around in the 2020s, 30s and 40s. Most of this would not be aimed at the Dounreay workforce but at school leavers. At present he had two ideas which had the potential for significant growth and had already spent sometime working up a business case for one of these. At present it was in an early stage and he wanted to make sure the business case was viable before taking it forward.
- Anne Chard noted that NDA had announced that DFR breeder fuel would be transported to Sellafield and a decision on exotic fuels was still awaited. If the decision was to move all fuel to Sellafield then there would be a substantial saving for NDA. She asked if the money saved would go back to NDA or would the PBO

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get some of these savings. Nigel Lowe responded that the decision on Exotic fuel had not yet been taken. However, under no scenario would savings go to the PBO. Furthermore, any savings arising to the NDA at Dounreay needed to be seen and offset against the increased security costs to the NDA across the entire estate.

There being no further questions Bob Earnshaw thanked Roger Hardy for his input to the meeting.

11. QUESTIONS FROM MEMBERS OF THE PUBLIC

Bob Earnshaw invited members of the public to raise any questions that had not previously been covered. There were no additional questions raised.

12. ANY OTHER BUSINESS

Bob Earnshaw noted the following:

- On 20th/21st June he would be attending a Nuclear Industries Forum in London as part of a speaker's panel discussing good practices in consultation and engagement processes.
- Bob Earnshaw and David Flear had met with Graeme Rankin, Head of Competition for the NDA and Anna MacConnell to discuss what had gone well and not so well with the site competition in relation to stakeholder input and involvement. NDA have now started the process of competing the Magnox and RSRL (Reactor Sites Research Ltd) sites.
- David Flear thanked Nigel Lowe and Roger Hardy for their presentations and for their openness in responding to questions.

There being no further business Bob Earnshaw thanked everyone for attending and closed the meeting.

Bob Earnshaw
DSG Chairman
17th June 2012

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ACTIONS ARISING FROM THIS MEETING

DSG(2012)M002/A007: Nigel Lowe to discuss the comments made with regards fuel movements and benefits with NDA HQ.

DSG(2012)M002/A009: Alastair MacDonald (BDP) to consider how the site can report more accurately on the number of contractors working on the Dounreay site on a regular basis. Action ongoing – Agreement has been reached to use turnstile data. It should be noted that this will be difficult to analyse but it will be useful to see trends going forward. Information requested is for total numbers of DSRL and non-DSRL staff.

DSG(2012)M002/A010: Alastair MacDonald (BDP) to draft a Period 1 report using the Dounreay report template to allow members to comment on the substance of the report.

DSG(2012)M002/A014: June Love to request documents relating to the low level waste site for tabling at site restoration sub group meetings.

DSG(2012)M002/A016: Secretary to write to Scottish Government requesting representation from all three site stakeholder groups at meetings to discuss the implementation strategy for higher activity wastes. Action ongoing – email sent to Scottish Government and holding response received.

DSG(2012)M002/A017: Koreen MacDougall, Caithness Partnership to provide a written update on progress with Berriedale Braes.

DSG(2012)M002/A018: Anna MacConnell, NDA to continue to keep DSG updated on progress of national nuclear archives.

DSG(2012)M002/A019: Bob Earnshaw, Thurso Community Council, to provide update to DSG on status of Tesco's proposed new store at the old mart, Thurso.

DSG(2012)M002/A020: Eann Sinclair to provide DSG with summary of employment statistics.

DSG(2012)M002/A021: Eann Sinclair to send June Love website link to economic study when published.

DSG(2012)M002/A025: Secretary to contact DRS to identify a suitable date for interested stakeholders to visit DRS' terminal at Inverness. Action ongoing – contacted DRS – expect that Georgemas terminal will be ready mid-June and an invite will be extended to visit Georgemas.

DSG(2012)M002/A027: Nigel Lowe, NDA to discuss taking forward outline planning for the National Nuclear Archives with the project team.

DSG(2012)M002/A028: June Love to distribute previous audit report from the NAO to DSG site restoration sub group members.

DSG(2012)M002/A029: Nigel Lowe to discuss socio economic elements in contract (in relation to National Nuclear Archives) with project team.

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DSG(2012)M002/A030 - DSRL to provide information, previously distributed, on the requirements for the six vaults.

DSG(2012)M002/A031 – DSRL and HIE to discuss requirement for trades and skilled people.

ACTIONS ONGOING FROM PREVIOUS MEETINGS

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

DSG(2012)M001/A004: Secretary to put emergency planning onto agenda for next site restoration sub group meeting. **Ongoing:** Discussed at Business meeting – will be explored further under DSG review.

ACTIONS COMPLETE SINCE LAST 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. **Action complete** – discussed at socio economic sub group meeting on 25th April. New actions assigned.

DSG(2011)M008/A026: DSG to send Nicola Sturgeon details of Dunbar hospital. **Action complete** – closed out and will revisit following consultation.

DSG(2011)M008/A018: June Love to invite Alan Ogg to provide the Engineering, Technology and Energy Centre (ETEC) presentation to the full DSG meeting in March. **Action complete** – action superseded by DSG/BM(2012)M002/A004.

DSG(2012)M001/A001: Secretary to write to ONR (transport) to invite a representative to the next site restoration sub group meeting to discuss response covering the removal of the emergency tug vessels. **Action complete** – superseded by action raised at site restoration sub group meeting on 25th April 2012.

DSG(2012)M001/A002: DSG to write to MOD to ask about their continued commitment to Caithness would be following the completion of existing trials programme. **Action complete** – see DSG(2012)C043

DSG(2012)M001/A006: Secretary to organise meeting between DSG Chairman and Chair of Buldoo Residents Group to discuss close out of LLW actions placed on DSG. **Action complete.**

DSG(2012)M001/A010: DSG to write to JCI to explore ways of continued recruitment of apprentices. **Action complete** – see DSG(2012)C042.

DSG(2012)M001/A021: Koreen MacDougall to raise the issue of the roads north of Inverness at the next Caithness Transport Forum. **Action complete** – DSG(2012)C032.

DSG(2012)M001/A022: Anna MacConnell to provide information on the expected timescale for developing a business case for the National Nuclear Archives. **Action**

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complete – discussed at socio economic sub group on 25th April and new action assigned.

DSG(2012)M001/A024: DSG to write to Tesco to ask them what progress was being made on the new build at the railway station. **Action complete** – see DSG(2012)C011.. Updates requested via Bob Earnshaw, Thurso Community Council.

DSG(2012)M001/A028: Secretary to invite Richard Stoneham to next sub group meeting to provide an update on the Pensions Office. **Action complete** – written update provided at socio economic sub group meeting held on 25th April.

DSG(2012)M001/A029: Secretary to draft letter to Crown Estates following up discussions held on the 18th January 2012. **Action complete** – see DSG(2012)C003 – Response now received from Crown Estates (DSG(2012)C047).

DSG(2012)M002/A001: June Love to write to HIE to clarify DSG membership. **Action complete** – Roy Kirk has confirmed HIE will no longer attend sub group meetings (CNSRP will represent) but HIE will continue to attend full DSG meetings.

DSG(2012)M002/A002: Secretary to write to NDA requesting a presentation at the June meeting to describe the difference between the old contract and the new one. **Action complete** – confirmed on 21st May 2012.

DSG(2012)M002/A003: Secretary to write to BDP requesting a presentation at the June meeting to outline what was in the bid for site decommissioning and commitments made to socio economics. **Action complete** – confirmed on 14th May 2012

DSG(2012)M002/A004: Secretary to write to Alan Ogg, ETEC to reschedule presentation on ETEC following its official opening. **Action complete** – emailed on 15th May deferring presentation until ETEC was officially opened.

DSG(2012)M002/A005: Secretary to circulate draft agenda to all DSG members requesting additional agenda items. **Action complete** – draft agenda circulated on 15th May 2012 requesting any additional topics for the agenda.

DSG(2012)M002/A006: Secretary to write to all members asking for volunteers to take part in small working group to take DSG review forward. **Action complete** – working group identified (David Flear, Eann Sinclair, John Deighan, Alan Scott and Anne Chard).

DSG(2012)M002/A006a: Roger Hardy to identify whether socio economic elements had been included in the contract. **Action complete** Roger Hardy noted that no socio economic elements had been included in encapsulation plant contract.

DSG(2012)M002/A008: June Love to check wording on paragraph relating to the particles plume before finalising minutes. **Action complete:** *the wording was checked and slightly amended so that it had more clarity.*

DSG(2012)M002/A011: Secretary to write to Maritime and Coastguards to clarify the safety implications of waste shipments with the removal of the emergency tug vessels. **Action complete** – see DSG(2012)C045.

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DSG(2012)M002/A012: Secretary to write to ONR to request information on what consultation ONR will carry out between various bodies along a transport route for nuclear materials. **Action complete** – see DSG(2012)C046.

DSG(2012)M002/A013: : Secretary to organise discussion with Alex Anderson, George Farlow and David Flear on the subject of DFR breeder fuel moves by rail. **Action complete** – this was done at DSG Business meeting held on 11th May 2012.

DSG(2012)M002/A015 Secretary to put Buldoo representation at DSG on next business meeting agenda for discussion. **Action complete** – Buldoo representative has been identified.

DSG(2012)M002/A022: Secretary to invite John Rowlands, ROMAR to next DSG socio economic sub group meeting. **Action complete** – see DSG(2012)C044

DSG(2012)M002/A023: June Love to update funding rules with amendments as discussed. **Action complete.**

DSG(2012)M002/A024: June Love to finalise funding application and publish, along with rules, on website. **Action complete.**

DSG(2012)M002/A026: Eann Sinclair to put Wick airport on agenda for CNSRP Executive Board to discuss priority actions for agencies. **Action complete** – this was raised at CNSRP Executive Board in April 2012. Eann Sinclair picking up issue with HIAL.