

Endorsed on 24<sup>th</sup> July 2013

**DOUNREAY STAKEHOLDER GROUP  
SOCIO ECONOMIC SUB GROUP**

**DSG/SESG(2013)M002**

**Minutes of the DSG Socio Economic Sub Group meeting held at 1330 hrs in the Pentland Hotel (large lounge), Thurso on Wednesday 17<sup>th</sup> April 2013.**

<b>Present:</b>	Bob Earnshaw	Thurso Community Council (acting chair)
	Alastair MacDonald	DSG Honorary member
	Trudy Morris	Caithness Chamber of Commerce
	Eann Sinclair	CNSRP
	John Green	Caithness Voluntary Group
	Sandy Mackie	Scrabster Harbour Trust
<b>In addition:</b>	June Love	DSG Secretariat
	Anna MacConnell	NDA
	Ken Nicol	DSRL

## **MINUTES**

### **1. WELCOME AND INTRODUCTIONS**

Bob Earnshaw welcomed everyone to the meeting. He explained that Socio Economic sub group chairman, Derrick Milnes, was unable to attend following the change of date of this meeting and therefore Bob would take the chair.

Bob noted that Derrick Milnes had been re-appointed as sub group chairman at the AGM held in March. Nominations were requested for a deputy sub group chair. Eann Sinclair proposed Trudy Morris and this was seconded by Sandy Mackie. Trudy Morris accepted the post of deputy chair for the socio economic sub group.

It was also noted that David Flear, DSG Chairman, was currently recovering from an operation. Members wished David a speedy recovery.

### **2. APOLOGIES**

Apologies were received from:

- David Flear
- Derrick Milnes
- Debbie Gray
- Ronnie Johnstone
- Alastair MacDonald, Change Director, Dounreay

### **3. MINUTES OF LAST MEETING**

The minutes of the last meeting – DSG/SESG(2013)M001 – had been circulated in advance to all members. The minutes were accepted as a true reflection of the meeting.

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This was proposed by John Green and seconded by Eann Sinclair.

#### **4. PROGRESS ON ACTIONS**

The progress on actions were circulated to members in advance. Of note:

- **DSG(2013)M001/A028:** Eann Sinclair to provide a Highland Council contact (related to

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Thurso, Wick and Farr.

Prior to the meeting a comment on one request was made asking for assurance that Dounreay Community Fund would get due recognition for sponsorship. This was confirmed.

All funding requests were approved.

## **6. PROCUREMENT TOPICS**

Bob Earnshaw reminded members that DSG had asked whether local benefits could be included in Dounreay contracts. Following a presentation by Dounreay at the December meeting Alan Scott and Trudy Morris had met with Dounreay Contracts Manager, Dounreay Change Director and NDA Socio Economic Manager to discuss this issue. This had resulted in an action being placed for DSG to draft a paper for ongoing discussion with Dounreay. Bob invited Trudy Morris to go through the draft paper.

Trudy Morris noted that thanks should go to Alan Scott who had drafted the bulk of the paper and once drafted this had been tested out on a number of supply chain representatives.

The draft document provides an overview of the issues in terms of socio economics related to the decommissioning project for the Dounreay site. The paper was compiled primarily for the use of organisations interested in working on the site with the aim of encouraging such organizations to explore areas where they could contribute to the socio economic well-being of the area. The document concludes with a simple 'shopping list' and evaluation approach which could be adopted by organizations interested in demonstrating their commitment to supporting the long term socio economics of Caithness and North Sutherland.

Trudy Morris pointed to the draft questions posed and asked the group to consider whether these questions were strong enough. She noted the questions were based on the size of a contract and it might be that sub contracts could also fulfil some of these activities. She also acknowledged that Dounreay was seriously looking at this issue and that, in comparison to other areas, good progress was being made.

Eann Sinclair clarified that this was about DSG/Dounreay asking companies bidding for work at Dounreay to clarify what their socio economic plans associated with a bid would be. This document would act as a menu of things that should be considered.

Anna MacConnell noted that consideration should be given to targeted recruitment. She noted that CH2MHILL have a graduate scheme and when questioned CH2MHILL had suggested that perhaps some recruitment could be focussed at Dounreay. She stated that questions raised regarding recruitment could be made more explicit as targeted recruitment is legally possible.

It was agreed that members would consider the paper and provide any comments/views to the secretary by close of play on Friday (19<sup>th</sup> April). The next step would be to co-ordinate a further meeting with Alan Scott, Trudy Morris and Dounreay/NDA representatives to continue to make progress.

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Members recorded their thanks to Alan Scott for doing the bulk of the work on this issue.

**Action: DSG/SESG(2013)M002/A001: All members to provide comment to June Love on “The Supply Chain and Dounreay – Socio economic considerations” by Friday 19<sup>th</sup> April 2013.**

▪ **Graham Construction Socio Economic Case Study.**

Ken Nicol provided a summary of the paper. The case study had been written following numerous comments regarding the lack of local benefit within the low level waste facility contract.

The case study provided information on local employment as well as details on sub contracts placed locally as well as the provision of services and materials.

Bob Earnshaw noted that the study was useful and showed there was a lot going on with local contractors benefiting from sub contracts. Despite initial misgivings a lot had been done within this contract.

Eann Sinclair suggested that by considering the case study the questions on the wider socio economic procurement paper could be teased out.

## **7. DOUNREAY SOCIO ECONOMIC PLAN**

**NDA update:** Anna MacConnell reported. Of note:

- NDA had provided support to Wick harbour to carry out technical and other work to help them develop a strategy for a long term commercial future. . Wick harbour has now developed their plans to a point where they have a clear three phase project and a funding application for phase 1 of the development had been approved by the NDA, caveated with other funding organisations coming forward to support.

Eann Sinclair noted that Wick Harbour was one of the CNSRP’s priority projects and he was aware that HIE were currently carrying out their due diligence for funding also.

- Funding has also been approved for North Highland Connections to continue work to build an arts centre in Wick and was working with various organisations, including Highland Council. Development of the Ham building was ongoing with various partners and early work was ongoing with the Princes Trust on options for the Castletown Mill building. In addition to these projects, North Highland Connections were continuing to develop its cultural programme.
- The Accident Investigation Team for Transport Scotland had completed a report into Georgemas. The report made some recommendations and DRS were currently talking to Transport Scotland on the most appropriate option. It was noted that the recommendations would be dependent on usage and there was still some work to do to secure commercial business.
- The design consultant had now been appointed for the feasibility study for the Berriedale Braes.

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Trudy Morris welcomed this and said it was key to ensure that the Berriedale Braes was shovel ready so that it could be included into the budget to get the work done.

### **Dounreay Socio Economic Annual Report 2012/13**

Ken Nicol summarised the key highlights of the annual report which included:

- Staffing forecasting statistics
- Information on various projects
- Developing ideas to take forward as possible new opportunities
- Workforce transition

Eann Sinclair asked whether comments would be invited on the report. Ken Nicol said he would be happy to take comments. It was agreed that members should provide comments on the annual report by Friday 26<sup>th</sup> April 2013.

**Action: DSG/SESG(2013)M002/A002: All members to provide June Love with comments on the Socio Economic Annual Report 2012/13 by Friday 26<sup>th</sup> April 2013.**

### **Dounreay Socio Economic Plan 2013-16**

Ken Nicol summarised the key highlights of the Dounreay Socio Economic Plan 2013-16.

He thanked those members involved in the Socio Economic workshop which was held on the 1<sup>st</sup> March and added that the input received was useful and where possible had been captured within the new plan.

He noted that in the earlier years the outputs were quite clear however it was difficult to be more robust on outputs for future years. These would continue to be developed as part of the overall CNSRP programme of which Dounreay's plan was only one element.

Ken noted that a review of the impacts of last years' plan would be undertaken which would allow measures to be identified to assess impacts going forward.

Bob Earnshaw asked whether the annual report was based on last years' plan. Ken Nicol confirmed that this was the case.

**Action: DSG/SESG(2013)M002/A003: All members to provide June Love with comments on the Socio Economic Plan 2013-2016 by Friday 26<sup>th</sup> April 2013.**

## **8. UPDATES ON SOCIO ECONOMIC ACTIVITIES**

Bob Earnshaw noted that the CNSRP Programme Manager had provided a written update on CNSRP progress – DSG(2013)P007 refers. Of note:

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- CNSRP was in the process of getting year end figures from Highland Council, Business Gateway and others for job creation numbers. So far the updated figures indicated that 39 companies had supported the creation of 113 new jobs in the area. The final updated information would be available shortly.
- Four priority projects had been identified for CNSRP.
  - Wick harbour was making real progress as reported earlier. Consenting of the Moray and Beatrice wind farms was still awaited.
  - Scrabster Harbour had held discussions recently with Highland Council with regard the farm site development. Sandy Mackie agreed that the discussions had been useful and the issues were now clear to allow the harbour to move forward with this. He also noted that the harbour was moving forward with Phase 2 feasibility. Sandy Mackie noted there had been a huge amount of interest in the harbour development by commercial companies.

Bob Earnshaw noted that DSG was supportive of both projects and asked if there was anything that DSG could assist with. Sandy Mackie responded that at present progress was going smoothly but would bear in mind for future.

- Progress on the Wick / John O Groats airport business development plan was moving slowly. Air traffic was at its best at the airport for a long time. The issues were now with HIAL to sit down and discuss what they believe is required longer-term to improve on services at the airport.
- The announcement on superfast broadband had been published recently. The roll out schedule is still unknown however cases have been made to ensure that Thurso (including Scrabster) and Wick were high on the priority list.

Trudy Morris asked whether the biomass plant at New Park was still ongoing. Eann Sinclair responded that as far as he was aware these plans were going ahead. He agreed to seek clarity on this.

Ken Nicol commented that it was good to see ETEC hold a stakeholder meeting but it had been disappointing to see the lack of local employers attending.

Ken Nicol noted that in the CNSRP report there was nothing new to report under Fusion. He was aware that the original concept of IFMIF had been discarded however he questioned progress on opportunities arising from the Fusion programme. Trudy Morris noted that a number of local companies were working within the Fusion programme and most were now signed up to receive notifications of new contracts coming forward.

Eann Sinclair confirmed that he believed Fusion should be deleted from the progress report as companies were now linked to future opportunities.

Sandy Mackie asked if there had been any progress regarding the Marine Energy Park. Eann Sinclair responded that no progress had been made. Trudy Morris noted that there had been interest from one Orkney individual who had thought it would be good to link with Orkney to market the Marine Energy Park at All Energy however when the

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Chamber followed this up there appeared to be no appetite from Orkney to work together on this.

Bob Earnshaw then invited those attending to provide updates. Of note:

### **Chamber of Commerce**

- Discussions were ongoing with SSE procurement to hold a Meet the Buyer event to provide an overview of the work SSE is involved in. SSE has an 'open for business' portal which they launched last year and they will explain the process to register. The event will be held on 12/13 June and will be a full day.
- The Chamber was, once again, exhibiting at the All Energy Conference in Aberdeen in May. Scrabster harbour, Wick harbour and Calder Engineering had all taken out exhibition space.

### **9. CORRESPONDENCE**

Bob Earnshaw noted the following correspondence which had been received:

- DSG(2013)C018: NDA SSG briefing, March 2013.
- DSG(2013)C026: NDA SSG briefing, April 2013
- DSG(2013)C23: Note for the Record of meeting with Simon Tucker re National Nuclear Archives.

### **10. ANY OTHER BUSINESS**

Bob Earnshaw noted the following:

- Bob Earnshaw and Anne Chard had attended a dinner with David Batters, Chief Financial Officer, NDA on 11<sup>th</sup> April. Topics covered included:
  - The issue of outline planning for the archives which David Batters agreed to the Board.
  - SSG Chair's forum
  - Raised a new topic of how DSRL could trade (outside of the Dounreay contract). It was agreed this was a good idea but would only be considered if contained within the nuclear industry.
  - PBO generally doing well, meeting all targets but keeping an eye on the safety aspect.

Anna MacConnell, NDA noted that Simon Tucker had held useful discussions with Highland Council on pre-planning arrangements for the National Nuclear Archives.

- Scottish Government Scottish Sites meeting will be held on 25th April. An update from DSG would be provided for this meeting tomorrow. In David Flear's absence Bob Earnshaw would be attending.

Anna MacConnell noted that Bill Hamilton and John Lawes, NDA would also be attending. June Love noted that Alastair MacDonald, Change Director would attend and

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provide an update presentation on the progress of decommissioning at Dounreay.

- Scottish Government Higher Activity Waste meeting will be held on 29<sup>th</sup> April. David Flear has been the link into this meeting and since it was short notice the secretary will attend as an observer for this meeting.
- The business meeting will be reviewing all the meetings attended outside DSG and agree the most appropriate person to represent DSG.

Anna MacConnell noted that at the Highland Council Charrettes meeting discussion had been raised regarding windfarm funding. She thought that funding could eventually be in the region of £5M annually and that a proportion of this could potentially be used to support major infrastructure projects. Eann Sinclair noted that a consultant had been carrying out a piece of work on behalf of RWE.

Trudy Morris added that some developers were reluctant to discuss anything in case it jeopardized planning. Sandy Mackie noted that if there was approximately £5M coming into the county used wisely this could leverage a potential £50-60M.

Bob Earnshaw noted that DSG had raised this before and felt that it would be useful to use existing funding bodies rather than create new ones. It was agreed that following the outcome of the RWE consultation a meeting would be held to discuss taking something forward. [It should be noted that DSG have no wish to administer a community fund but do believe that a proportion of the funds could be used across the whole of Caithness and not earmarked for certain parts of the county.]

Trudy Morris noted that the Chamber had received funding from the Baillie Wind Farm development to set up a business fund. At present the Chamber was initially looking to award grants to young people but would look to increase funding by attracting other developers to the scheme.

There being no further business Bob Earnshaw thanked everyone for their attendance and input and formally closed the meeting.

**Bob Earnshaw**  
**DSG Acting chairman**  
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### **ACTIONS ARISING FROM THIS MEETING**

DSG/SESG(2013)M002/A001: All members to provide comment to June Love on “The Supply Chain and Dounreay – Socio economic considerations” by Friday 19<sup>th</sup> April 2013.

DSG/SESG(2013)M002/A002: All members to provide June Love with comments on the Socio Economic Annual Report 2012/13 by Friday 26<sup>th</sup> April 2013.

DSG/SESG(2013)M002/A003: All members to provide June Love with comments on the Socio Economic Plan 2013-2016 by Friday 26<sup>th</sup> April 2013.

### **ACTIONS COMPLETED SINCE LAST MEETING**

DSG(2012)M002/A018: Anna MacConnell, NDA to continue to keep DSG updated on progress of national nuclear archives. **Action complete** – *a meeting with the project manager took place on 25<sup>th</sup> March 2013.*

DSG(2012)M002/A029: Nigel Lowe to discuss socio economic elements in contract (in relation to National Nuclear Archives) with project team. **Action complete** – was discussed with Simon Tucker on 25<sup>th</sup> March 2013.

DSG(2012)M002/A031 – DSRL and HIE to discuss requirement for trades and skilled people. **Action complete** – meeting took place on Friday 11<sup>th</sup> January 2013. Further discussions with HIE/DSRL will take place.

DSG (2012)M004/A005: DSG to write to the NDA asking for clarity of the scope and timeline for the business plan for the National Nuclear Archives. **Action complete** - was discussed with Simon Tucker on 25<sup>th</sup> March 2013.

DSG (2012)M004/A008: Eann Sinclair to ask HIE what progress is being made with Fusion projects. **Action complete:** HIE has made contact with the new person at Culham who is involved with Fusion now. In terms of the IFMIF concept no progress has been made and is unlikely however there is still a potential long-term UK interest in Fusion and HIE are continuing to keep in touch with Fusion with regards these potential opportunities.

DSG(2012)M004/A016: Secretary to put socio economic impact (with regards contracts) on next Socio Economic sub group agenda. **Action complete** - on agenda for 17<sup>th</sup> April 2013 sub group meetings.

DSG(2013)M001/A001: June Love to circulate actions relating to the National Nuclear Archives when confirming venue for meeting to be held on 20<sup>th</sup> February. **Action complete** – circulated on 11<sup>th</sup> February 2013.

DSG(2013)M001/A002: June Love to write to Anna MacConnell enquiring if she had received an update on progress from Transport Scotland on Berriedale Braes. **Action complete.**

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DSG(2013)M001/A017: To focus on the Dounreay Socio Economic Plan to hold NDA/Dounreay account on deliverables but not precluding the wider regeneration programme. **Action complete** – DSG socio economic sub group agenda reflects this.

DSG(2013)M001/A018: To ensure CNSRP programme manager continues to provide an over-arching document which demonstrates NDA/Dounreay deliverables fits into overall CNSRP programme. **Action complete** – CNSRP programme manager progress report will continue.

DSG(2013)M001/A027: Secretary to forward Dounreay Community Funding rules to Tom Curry, DRS. **Action complete:** information was sent to Tom Curry on 10<sup>th</sup> February 2013.

DSG(2013)M001/A030: Secretary to co-ordinate a suitable date for a workshop with DSG members (and other relevant stakeholders) to provide input for the new Socio Economic plan. **Action complete** – invitation sent on 10<sup>th</sup> February for a workshop on the 1<sup>st</sup> March 2013.

DSG(2013)M001/A031: Caithness Chamber of Commerce to ensure that British airways update website for Wick airport to Wick/John O'Groats airport. **Action complete** – BA website now lists Wick/John O'Groats airport.