

**DOUNREAY STAKEHOLDER GROUP
SOCIO ECONOMIC SUB GROUP**

DSG/SESG(2013)M003

Minutes of DSG Socio Economic Sub Group meeting held on Wednesday 24th July at 1330 hours in the Pentland Hotel, Thurso (large lounge).

Present: Derrick Milnes Wick and Thurso Trades Council (Chair)
 Alastair MacDonald Honorary member, DSG
 Ronnie Johnstone Church of Scotland
 Nicola Dreaves Caithness Chamber of Commerce
 David Flear DSG Chairman
 Eann Sinclair CNS Regeneration Partnership
 Cllr Alex MacLeod Highland Council

In addition: June Love DSG Secretary
 Anna MacConnell NDA
 Ken Nicol DSRL
 John Henderson CNS Fund (for agenda item 3 only).
 Cllr Roger Saxon Highland Council

MINUTES

1. WELCOME AND INTRODUCTIONS

Derrick Milnes welcomed everyone to the meeting. He introduced John Henderson who had agreed to attend to provide an update on the Caithness and North Sutherland Fund. He noted that Cllr Roger Saxon was also in attendance as a DSG member who sits on the Site Restoration sub group.

Before moving on to the agenda, Derrick Milnes reminded members that the minutes of these sub groups were draft until approved at the next sub group meeting. Therefore while in draft these minutes should not be circulated wider than DSG.

2. APOLOGIES

Apologies were received from:

- Alastair J MacDonald Change Director, Dounreay
- Bob Earnshaw Thurso Community Council
- Debbie Gray North Highland College
- John Green Caithness Voluntary Group
- Sandy Mackie Scrabster Harbour Trust
- Murray Lamont North Highland Tourism
- Trudy Morris Chamber of Commerce (Nicola Dreaves deputising)

3. UPDATE ON CAITHNESS & NORTH SUTHERLAND FUND

John Henderson thanked DSG for the invitation to provide an update on the CNSF. He handed over a written report (DSG(2013)C044 refers).

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Derrick Milnes noted that the executive summary of the recent Caithness Conversation had been circulated to members – DSG(2013)C040 refers. He felt this might be pertinent to these discussions.

John provided a summary of the fund:

- Set up by NDA/DSRL as a community benefit package for the low level waste facility.
- £1M paid up front
- £300K a year commencing next year up to 2023.
- Fund is a company limited by guarantee
- Seven Directors – 4 appointed from general public, 3 from Highland Council.
- David Shearer is employed as co-ordinator for the fund.
- Criteria is fixed but is as flexible as possible
- Community and voluntary organisations
- Up to £30K assistance can be secured.
- NDA/DSRL attend meetings in a governance role.
- From funding allocated, there is a good geographical spread.

John stated that administration costs had been kept as low as possible with the use of THC's offices in Rhind House. These facilities will no longer be available and new office accommodation would be required. He said he would welcome any suggestions for new office accommodation in order to keep these costs at a minimum.

John noted that he was aware of the Caithness Conversation and the community benefit funding that would come from windfarms and wave/tidal initiatives which was likely to bring a substantial amount of funding for the area. He was also aware of the growing support for a Caithness wide fund concentrating on different elements of community living, ie business, education and community projects.

Alastair MacDonald noted that it was one of the things that was a problem in the area with localised funds being set up. John Henderson responded that the CNSF wanted to operate for 2 years to demonstrate they were a competent group which may attract other funding coming forward.

David Flear acknowledged there were a number of small funds established and felt that it would be more beneficial to the area if common funds were established to work across the whole of Caithness. He wondered whether DSG, who had no desire to set up a funding body, could help facilitate a discussion amongst all the funding bodies to see whether a focussed approach could be applied. It was agreed that this discussion would be tabled at the Business meeting to look at options.

Action: DSG/SESG(2013)M003/A001: June Love to put Community funding on Business meeting agenda for discussion.

Alex MacLeod agreed with David Flear's comments. He had been encouraged by the breadth of projects supported by the CNSF. When other funding mechanisms commence he asked John how the CNSF goes about moving from funding refurbishment of community halls to other more focussed projects. John Henderson responded that the Fund waited for applications to be submitted and were not descriptive in what applications came forward. Alex MacLeod also noted that the

Highland Council had recently held local Charrettes and the outcomes of these had been about supporting local teams to deliver projects for the local area. He asked whether it was considered that a leadership role was required to feed into this process. John Henderson agreed that the CNSF could provide leadership up to a point. He emphasised the need for the fund to be operating for two full years to gain credibility of a well run organisation.

Derrick Milnes thanked John Henderson for his update.

4. MINUTES OF LAST MEETING

The minutes of the last meeting – DSG/SESG(2013)M002 refers. These were accepted as a true reflection of the meeting. This was proposed by Eann Sinclair and seconded by Alastair MacDonald.

5. PROGRESS ON ACTIONS

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

- **DSG(2013)M002/A002:** Secretary to put skills update on the next socio economic sub group agenda. Action complete - see DSG(2013)C039 and discussed under agenda item 8.
- **DSG(2013)M002/A012:** Nigel Lowe, NDA Head of Programme to provide a written update on progress with DRS pursuing commercial freight by next Socio Economic sub group. **Action complete.** Anna MacConnell reported that DRS continues to work, via Tom Curry, DRS Commercial Manager based in the north, to seek commercial opportunities for freight on the Far North Line. There are a number of these being discussed, including taking cargo north for distribution to the Northern Isles. Commercial sensitivity precludes fuller information being provided at this stage. A trial taking liquid cargo north to Inverness is ongoing, and if successful may also present future commercial opportunities.

David Flear asked whether DRS had considered the options for traffic calming measures at Georgemas Junction. He recognised that until the potential volume of freight was identified it was difficult to select the best option and therefore invest in improvements. Anna MacConnell responded that this was correct. Three options had been identified for calming measures but until the extent of commercial freight was known it was not possible to select the most appropriate option. David Flear stated that at present the crane benefited NDA/DSRL to allow fuel to be transported. He stressed that it was important that the local community had confidence in future uses of the crane. Anna MacConnell said she would pass on these comments to Tom Curry.

Action: DSG/SESG(2013)M003/A002: Anna MacConnell to pass comments to Tom Curry re freight transport and appropriate calming measures at Georgemas Junction.

- **DSG(2013)M002/A013:** DSG Chairman to write, on behalf of DSG, to Rob Gibson, MSP to outline concerns regarding the delay in completing the Berriedale Braes study. **Action complete – see DSG(2013)C035.** The secretary noted that a response had been received from Rob Gibson (while on vacation) to acknowledge receipt and he was on the case. John Thurso, MP was also following this up with Transport Scotland.

Cllr Alex MacLeod felt that a more productive response might have been received if DSG had written to the Transport Minister direct. Derrick Milnes responded that DSG had made contact with the Minister in the passed to progress the study. Nicola Dreaves noted that the Caithness Transport Forum had written to the Minister on this subject.

Anna MacConnell also noted that, following the last CNSRP Advisory Board where SNH had indicated a willingness to work in parallel with the URS to ensure a timely response to the statutory consultation. Anna had been contacting the other statutory consultees and there was goodwill with these bodies to work in parallel. She was unsure as to whether this would save a substantial amount of time within the overall programme however it was pleasing to see the organisations wishing to be pro-active.

6. COMMUNITY FUND REQUESTS

A number of community fund applications were discussed. Declarations of interest were recorded as follows:

- Ref 014: David Flear
- Ref 022: Ronnie Johnstone
- Ref 026: Ronnie Johnstone

While the recommendations made were generally accepted there was some minor clarifications required. These would be progressed before the applicant would be notified.

7. PROCUREMENT

Ken Nicol provided an update. He noted that the summary paper provided to DSG members (DSG(2013)C043) was still considered draft as the guidance document was going through an internal review.

He reminded members of the background to this work with early discussions with DSG, NDA and DSRL taking place with DSG representatives producing a draft document on this subject. The summary paper provided provides a flavour of the draft guidance note and considers a number of areas on socio economic benefits.

Once the guidance document is finalised DSRL Commercial's Department has embedded this into their procedures there will be measures put in place to drive these down into the tender process.

David Flear noted that DSG members had emphasised the importance of socio economics within contracts at the recent meeting with the National Nuclear Archive project team. Anna MacConnell responded that NDA and DSRL were working very closely on socio economic within procurement and once the guidance document was finalised it would be shared with the NNA project team.

David Flear added that he was pleased to see the progress with DSRL's procurement and also that of the NNA.

Ronnie Johnstone noted that the summary document contained words like "where possible" and "in DSRL's best interests" as these could be seen as cop-outs. The wording needed to be robust and using words as those indicated should be explained

clearly. Anna MacConnell noted that the document was still in draft and the wording required tightening up. Ken Nicol agreed to take these comments away and feed back to Commercial Department.

Action: DSG/SESG(2013)M003/A003: Ken Nicol to feed comments on socio economics in procurement back to Commercial Department for consideration before document was finalised.

Eann Sinclair asked how the socio economic impacts within contracts would be measured. Ken Nicol responded this was currently being considered.

8. DOUNREAY SOCIO ECONOMIC ACTIVITIES

NDA update: Anna MacConnell noted the following:

- Funding for phase 1 of Wick harbour's development was now in place with funding coming from NDA, HIE and ESF. In addition to this there was a small amount of funding available from a previous project which would not be used to secure a contract with a consultant with proven skills and experience in the sector is working with them to support the phase 1 development and also assist to put a case together for phase 2 developments which included the outer harbour work. Phase 2 can be viewed as sea defence interventions which opens up other potential funding sources.
- The NDA had published its briefing report for July – DSG(2013)C041 refers.

David Flear noted that the NDA had recently part-funded a Construction Skills Centre. He stated he struggled to understand why the NDA had supported this given as this did not appear core to the NDA.

Cllr Alex MacLeod felt it would be useful if some representatives of the DSG visited Cumbria to learn lessons and look at the synergies between the sites.

Anna MacConnell responded that, as a socio economic group, it would be instructive for members to understand why the NDA funded the construction facility and how that process came about. Anna also suggested that if this visit went ahead it would be useful to concentrate on skills as a potential subject for this interaction.

Action: DSG/SESG(2013)M003/A004: June Love and Anna MacConnell to get together to consider options for a representative group of DSG to visit Sellafield/Cumbria focussing on skills.

DSRL update: Ken Nicol introduced DSG(2013)P015, which had been circulated to members in advance of the meeting. He noted that the paper reported on activities carried out by NDA/PBO and DSRL.

David Flear noted that a contract had been awarded to develop and deploy a means of measuring achievement of Socio Economic interventions. He stated that this had been mentioned at another meeting where Dyan Foss, Deputy Managing Director of Dounreay, had agreed that the report would be made available to DSG on its completion. Ken Nicol responded that the report would not be available until September.

Action: DSG/SESG(2013)M003/A005: Ken Nicol to provide report on the development and deployment of measuring achievement of socio economic interventions when available.

Ken Nicol noted the following:

- Alastair MacDonald was currently providing support on the longer term business plan for Wick harbour.
- Conferences/exhibitions had been attended in support of renewables and oil & gas.

Cllr Alex MacLeod noted that he on occasions attended such events. He asked if there was a protocol within CNSRP regarding attendance at events. Eann Sinclair responded that, in the past, there had been a tendency to 'man mark' however he was pleased to say CNSRP was now beyond that. He added that at the last CNSRP Delivery Team meeting a paper had been tabled outlining potential conferences/exhibitions and asked members to indicate whether they were planning to attend. Once all responses were available there would be a discussion around the CNSRP table as to the most appropriate people to attend. Anna MacConnell noted that this was a useful step forward which maximised resource and was cost efficient. David Flear agreed that it was important to ensure the most appropriate CNSRP people attended.

David Flear noted that the report provided an outline of conferences attended and that notes had been produced or further action was required. He asked for further clarification. Ken Nicol responded that in the case of Scottish Highland Renewables conference it was a fact finding visit to understand how to develop projects to create an income and information had been passed onto an organisation.

David Flear asked what the follow-up actions identified were following the SSE networking event. Ken Nicol responded that he had spoken to a company who were interested in the skills available in the county in the future and provided information on Make the Right Connections programme. Nicola Dreaves noted that Trudy Morris and Ken Nicol had held a teleconference with SSE to discuss impending job opportunities. SSE are seeking to recruit a number of skilled individuals in the area and will be forwarding job descriptions and competencies shortly in order to provide an overview of the skills they require.

Cllr Alex MacLeod felt that the paper required more detail although he understood that, because of commercial sensitivities, it was not always appropriate to provide in-depth detail into the public domain. David Flear agreed. Ken Nicol responded that given these comments he would rather continue providing short bullet pointed notes but would be happy to respond to questions at the meeting. Eann Sinclair felt this was the most appropriate way forward.

Anna MacConnell said she would work with Ken Nicol to explore whether a different format of reporting would be more appropriate.

Action: DSG/SESG(2013)M003/A006: Ken Nicol and Anna MacConnell to explore a different format of reporting socio economic activities to the DSG.

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- A contract had been awarded to Liddell Thomson to develop plans for marketing the area. Ken Nicol noted that the plan was going through its final re-iteration and would be available shortly.
- Work was in progress to deliver a Summer School programme for school pupils – “Ready Steady Work”. Eann Sinclair noted that the week long programme had started and feedback was already positive. Ken Nicol added that people needed to start thinking about how these activities would continue after Dounreay was closed.

Update on Skills: Ken Nicol provided a verbal update (DSG(2013)C039 refers). Of note:

Apprentices

- 22 apprentices presently employed
- 6 apprentices (from the 22 above) will shortly be appointed to craft positions.
- For 2013 the apprentice intake will be 8, an increase of 3 based on previous plans.
- For 2014 the current plan is to recruit a further 7 apprentices.
- 3 Babcock apprentices will transfer to DSRL’s apprentice scheme during 2013.
- A review is currently underway to consider recruitment from 2015 onwards.

Graduates

- Graduate in-takes will increase from 2-3 to 6 during 2013 and will be extended to include those undertaking science and administration qualifications.

Internships

- Internship programme will be introduced in September 2013 and will offer work experience to 4 graduates for a fixed term of three months.
- Following their internship, some graduates may be recruited or DSRL will work with the Chamber of Commerce to highlight their availability for employment within local supply chain.

Cllr Roger Saxon asked if the internships were being paid. Ken Nicol confirmed this was the case. Cllr Alex MacLeod stated that this was good news and congratulated the site for their forward planning to ensure skills were available in the area. Cllr MacLeod added that this might be something that should be explored when considering a visit to Cumbria. He also felt that people coming from Dounreay, although technically competent, may not have the qualifications and this should be considered through a technical competency route and perhaps look at how to get those people accredited.

Eann Sinclair noted that he was leading a skills group to pick up issues such as this. He added that the skills agenda had a number of people involved and he now had the right people sitting around a table discussing all issues relating to skills.

Anna MacConnell and Ken Nicol agreed with Cllr MacLeod with regard accreditations.

Cllr Alex MacLeod asked how this subject should be approached and how could the landscape be uncluttered to allow a clear way forward. It was agreed that any suggestions from DSG members should be sent to the secretary who would feed in to initial discussions with Eann Sinclair and Anna MacConnell to come forward with a clear way forward.

Action: DSG/SESG(2013)M003/A007: DSG Socio Economic sub group members to provide any information they wish to include in skills discussion.

9. UPDATE ON SOCIO ECONOMIC ACTIVITIES

Derrick Milnes noted that the CNSRP progress report had been distributed to members in advance of the meeting – DSG(2013)P012 refers. Eann Sinclair noted the following:

- From a jobs point of view it was noted that some local companies were finding an issue with availability of labour.
- The Caithness Chamber of Commerce had recently held a Recruit Caithness event in Wales and this was beginning to bring people to the area for work.

David Flear asked whether CNSRP were looking at the big picture of employment, ie the shortage of school teachers, health service provision, etc. He felt that CNSRP should be pulling all information together on the shortage of labour and come up with a Caithness proposal.

Nicola Dreaves noted that the recent event organised by the Chamber had been a pilot. Although the pilot was aimed primarily at the engineering sector details of other jobs available within the area were also made available along with information about the local area, infrastructure and lifestyle opportunities.

Eann Sinclair agreed to take this suggestion away and discuss with CNSRP Delivery Team.

Action: DSG/SESG(2013)M003/A008: Eann Sinclair to discuss idea of Recruit Caithness event for the wider Caithness Community, including health service provision, education, etc with CNSRP Delivery Team.

- A meeting had taken place with Aon Hewitt in Inverness looking at growing their business operations in Caithness.
- The former Ice-tech employees had gone through the PACE process led by SDS and Job Centre+. A number of those people have now moved back into employment.

Cllr Alex MacLeod noted that some people had contacted Caithness CAB (Citizen's Advice Bureau) as their first point of contact. Eann Sinclair responded that CAB had been part of the PACE group. Nicola Dreaves added that the Chamber could support the organisation of such events if required.

- Wick harbour had now received funding from NDA and HIE. The funding went through in parallel and was a good example of how partnership working should work.
- Scrabster Harbour Trust were in discussions with HIE and Highland Council regarding detailed plans for the Business/Industrial Park above the harbour.

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- The CNSRP were producing an annual review and John Swinney had contributed to the foreword endorsing the unique partnership of CNSRP.
- Eann Sinclair had agreed to provide a presentation on CNSRP activities to the staff at the John O’Groat Journal office.

Ken Nicol noted that CNSRP had started to look at its forward strategy and was pleased to announce that the NDA/PBO/DSRL had agreed to continue supporting CNSRP with the part-funding of the CNSRP programme manager’s post from 2014 to 2017.

Cllr Alex MacLeod asked what progress had been made with the Young Chamber programme. Eann Sinclair responded that it was one of these things that took time to set up. Nicola Dreaves noted that this was being progressed by the Chamber and at present there workload was such that this had not been afforded the time required. This did not mean they were not supportive merely that the workload was prioritised. Cllr MacLeod said this was something that should also be linked to the skills agenda.

Nicola Dreaves noted that the Chamber had:

- written to Mark Harper (Minister for Immigration), Fergus Ewing and John Thurso regarding the new border Force Agency checking regime at ports and airports that was raised at the Caithness Transport Forum. New requirements required face to passport checking.
- organised a meeting on 30th July to meet with Ensica to discuss supply chain opportunities, following their recently awarded contract at Dounreay.
- facilitated Thurso Retailers (with funding support from THC and the Dounreay Communities Fund) to hold three events to celebrate Independent Retailers Month, the most successful being Independents Day on 4th July. Feedback to date had been positive and the retailers had felt that the events had been worthwhile in raising awareness of supporting independent retailers. It had also provided the opportunity for retailers to work together for the good of the town which should support them moving forward as a group.
- organised the following future events:
 - First Chamber Golf Challenge, 23 August 2013 at Wick Golf Club.
 - Annual Dinner on 20th September at the Norseman Hotel, Wick.
 - AGM on 3rd October at Thurso Cinema.

10. CORRESPONDENCE SINCE LAST MEETING

Derrick Millnes noted the following correspondence:

- DSG(2013)C036: Berriedale Braes study (discussed earlier in meeting).
- DSG(2013)C038: National Nuclear Archives update, July 2013.

Anna MacConnell noted that the NDA had produce a press release and photo opportunity with regards the NNA. David Flear stated he felt that a focus group should

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be organised to ensure information on progress of the NNA was provided on a regular basis. Anna MacConnell responded that there was a plan to organise a focus group.

11. ANY OTHER BUSINESS

Ronnie Johnstone noted that he had tendered his resignation as DSG representative on the CNSRP Advisory Board and that David Flear would now represent DSG on this group. Ronnie felt that David Flear had a wider perspective of the issues for the whole area and it would be more appropriate for David to sit on the Board.

Ronnie Johnstone added that it was incumbent on groups like DSG to push for answers in this forum and make sure there was a full and frank discussion. David Flear agreed although he added that there was a fine line between instilling confidence in the local community and questioning every aspect of the CNSRP activities. He also added that while he had read and heard from some Councillors that nothing ever happens in Caithness he would remind them of the substantial investment that had been provided in infrastructure, totally nearly £100M since CNSRP was formed.

Derrick Milnes and David Flear thanked Ronnie for his contribution as DSG representative on the CNSRP Advisory Board and looked forward to continuing to work with him on DSG.

There being no further business Derrick Milnes thanked everyone for attending and formally closed the meeting.

Derrick Milnes
DSG Socio Economic Sub Group Chairman
29th July 2013

STATUS OF ACTIONS

ACTIONS ARISING FROM THIS MEETING

DSG/SESG(2013)M003/A001: June Love to put Community funding on Business meeting agenda for discussion.

DSG/SESG(2013)M003/A002: Anna MacConnell to pass comments to Tom Curry re freight transport and appropriate calming measures at Georgemas Junction.

DSG/SESG(2013)M003/A003: Ken Nicol to feed comments on socio economics in procurement back to Commercial Department for consideration before document was finalised.

DSG/SESG(2013)M003/A004: June Love and Anna MacConnell to get together to consider options for a representative group of DSG to visit Sellafield/Cumbria.

DSG/SESG(2013)M003/A005: Ken Nicol to provide report on the development and deployment of measuring achievement of socio economic interventions when available.

DSG/SESG(2013)M003/A006: Ken Nicol and Anna MacConnell to explore a different format of reporting socio economic activities to the DSG.

DSG/SESG(2013)M003/A007: DSG Socio Economic sub group members to provide any information they wish to include in skills discussion.

DSG/SESG(2013)M003/A008: Eann Sinclair to discuss idea of Recruit Caithness event for the wider Caithness Community, including health service provision, education, etc with CNSRP Delivery Team.

ACTIONS COMPLETED SINCE LAST MEETING

DSG (2013)M002/A011: All members to consider the draft paper on “The supply chain and Dounreay – socio economic considerations” by Friday 19th April 2013. **Action complete.**

DSG(2013)M002/A015: All members to provide June Love with comments on the Socio Economic Annual Report 2012/13 by Friday 26th April 2013. **Action complete - no comments received.**

DSG(2013)M002/A016: All members to provide June Love with comments on the Socio Economic Plan 2013-2016 by Friday 26th April 2013. **Action complete – no comments received.**