



**Dounreay Site  
Restoration Ltd**

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Mr Roger Stuart

8 November 2013

Dear Roger

Your letter dated 25th September 2013 addressed to the Dounreay Stakeholder Group was passed to me to respond to.

At the DSG on 25th September the secretary made mention that she had received further correspondence from you and members agreed that the contents of your letter would be minuted in full. DSG members felt it appropriate that the letter be passed back to Dounreay to respond to.

Firstly, I am glad that you found my earlier response to you was provided in a timely manner.

As you mentioned in your letter it was unfortunate our meeting was cut short and I would be delighted to meet with you again to have more detailed discussions about the points you made.

I have attempted to respond to your bullet points in the order you sent these in and hope that the details below give you some comfort that those issues you are concerned about are indeed being addressed, either by Dounreay or by the wider Caithness and North Sutherland Regeneration Partnership (CNSRP).

- *With respect to senior management at Dounreay moving up to Caithness, he acknowledged that many had not made the move because of the family disruption that this would cause. This was particularly the case as the contracts let were so short and the future of further work in the far north being uncertain. This comment was further endorsed at the last DSG meeting by the NDA who stated the difficulties that they were having getting a programme manager to move up to the area with his family I think the words used were that additional incentives might have to be used to encourage someone to move to the Caithness. This, to my mind, underlines the difficulties that professional services have in the North in getting suitably qualified medical staff and teachers to move up into the area.*

While I understand your concerns here the fact remains that the PBO secondees coming to Dounreay are seconded on a two-yearly basis and there is an inevitability that those senior managers will move on to other jobs following their secondment to Dounreay. Therefore it is a personal judgement to make to decide to uproot and disrupt your family when knowing that the secondment is for a finite time.

That said, NDA reported back at the last DSG that the reason they could not find a replacement Programme Manager appeared to be down to salary rather than a life style choice and NDA are looking at ways of addressing this.

In addition, the Caithness Chamber of Commerce, recently ran a pilot Recruit Caithness event in Wales targeting people who had just recently been made redundant. This was primarily aimed at engineering staff and while it was a pilot project there has been three people accepted job offers and are now working in Caithness. CNSRP, via Highlands and Islands Enterprise and CNSRP, are considering further Recruit Caithness events which will not only encompass engineering skills but will look at vacancies across the county, including education and health services.

- *Some discussion took place on what the site is doing to develop business in Caithness, DSRL sited that they have put money into organisations like the chamber of commerce, and assistance to the Caithness and North Sutherland Regeneration Partnership but are otherwise not actively engaged with companies in the area to assist them directly, as that is being done directly by HIE. I reflect on a comment, made by a member of the public, that Babcock with all their experience and expertise could offer this direct to businesses in the area particularly those with manufacturing skills. One suggestion here would be for DSRL to visit every company in Caithness to assess their potential skills for not only for work at Dounreay but other sites across the UK and overseas. This hopefully would provide the basis for increase manufacturing employment in the area.*

Socio economics is a commitment of the Cavendish<sup>1</sup> Dounreay Partnership's contract, which we, as the PBO, are obliged to do alongside the Nuclear Decommissioning Authority and DSRL and in partnership with the CNSRP. While engaging with companies is not our direct remit we do often meet with companies and where we can assist we most certainly do. As an example, we have recently had people over from the USA looking to see how they could use Dounreay expertise for future fast reactor designs.

In addition, HIE and DSRL part funded a contract with an external organisation to provide labour market intelligence to do exactly what you have proposed above - to assess the potential skills, not only for Dounreay but for other sites across the UK and overseas. The Caithness Chamber of Commerce is also carrying out a skills audit, (which was funded through the Make The Right Connections programme and financially supported by European funding as well as NDA, DSRL and Skills Development Scotland) of the local supply chain and between these two pieces of work we should start to build a picture of what the capability in the county actually is. The Chamber also produce directories aimed at companies external to Caithness to show what capabilities exist in Caithness.

- *Some discussion took place on the training of young people of all educational abilities. DSRL admitted that whilst they do support employment of graduates from the Universities and offering some craft training to apprentices on the site, the numbers are small.*

We were delighted to announce at the DSG that our apprentice intake has increased from 5 to 8 this year with graduate intakes also increasing from 3 to 6. We have also introduced internships and have four graduates currently working at Dounreay. We will continue to review the need for apprentices, etc over the coming years but we also need to take into account when the right time is to stop apprenticeships altogether, when the closure date starts to get closer it would be untenable to offer youngsters an apprenticeship unless we are confident that they can complete their four years' training while the site continues to be decommissioned.

A recent task carried out working with the DSG and the CCoC was to produce a guidance note for our procurement team to ensure that DSRL consider the socio economics aspects when letting work to our supply chain. As a result of this, our new decommissioning operative's contracts outline the requirement to take on a number of apprentices each year. While we are awaiting a response from those companies involved it is estimated that there is a potential to deliver 50 new apprenticeships, via the site decommissioning operatives contract.

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<sup>1</sup> The PBO has been renamed Cavendish Dounreay Partnership as of 28<sup>th</sup> October 2013

- *There is no intention for DSRL to mark the 20th anniversary of the shutdown of PFR in 2014.*

While we recognise there are a number of retired and ex-Dounreay workers who are extremely proud of their past successes (and quite rightly so) we now operate on a fixed priced contract with our aim of progressing decommissioning as quickly as we can (safety, security and the environment continuing to take priority). We have a heritage officer who is working hard to ensure that the heritage strategy is delivered and part of that strategy is to capture the memories of those who worked on the site in its operational days. Perhaps I could persuade you to meet with him so he can chat to you. As part of that strategy we are also looking to host a heritage conference in Caithness sometime in 2016 and if this is accepted we will indeed cover the operational days as well as the existing decommissioning programme. We would happily work with past employees of the site and are always keen to show people the progress that we are making. We supported the Dounreay Retirement Fellowship until it disbanded.

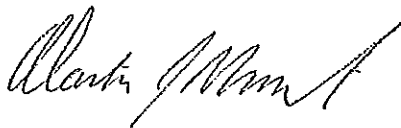
- *Finally whilst DSRL would like to do much more in the community they are limited by what they can achieve within the terms of their contact with the NDA. It is my opinion that the NDA have underestimated the social impact of what the rundown of Dounreay has on the future wellbeing of Caithness and the surrounding areas. There appears to be very little in their contract that might encourage them to achieve a healthy vibrant economy as the run down progresses. It is my view that despite the glossy image displayed by the press on Wind Farm construction (so called green energy!) and the development of tidal energy, much of the technical and manufacturing input is from elsewhere further South with Caithness just becoming a warehouse for storage of components for erection by others. Even a recent press report highlights how the French are pushing to build wind turbine components in France; this is yet another good manufacturing opportunity for Caithness that will be missed.*

The NDA has, since its inception, directly funded over £10M for socio economic activity in the area, providing funding for developments in Scrabster and Wick harbours, as well as the ETEC building (North Highland College) and a number of other sustainable economic development projects which are already bearing fruit in terms of jobs. Caithness and North Sutherland is a priority area for the NDA and we work in partnership with NDA and the CNSRP and together we continue to strive to do the best for the area.

CNSRP has a number of priority projects and as part of the overall strategy it has been focused on trying to capture the operations and maintenance services required for both marine and offshore wind and that is where we believe our strengths, as a county, lie. There are other areas of focus such as Oil & Gas, Business Services, Inward Investment and improving the infrastructure. We will not discount manufacturing if the opportunity arises but our main focus is currently developing work to implement the overall CNSRP strategy.

I trust that these satisfactorily answer your points and please do not hesitate to get back in touch if you require any further information. I am happy to continue a dialogue and it is good to have the support of those passionate about our area.

Yours sincerely



**Alastair J MacDonald**  
Change Director, Dounreay

cc. Eann Sinclair, CNSRP  
June Love, DSG