

**Dounreay Stakeholder Group: Socio Economics  
Dounreay Socio Economic Alliance**

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# *Economic Impact Assessment of Selected NDA/DSRL Interventions*

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## **Introduction**

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Since 2005 the Nuclear Decommissioning Authority (NDA) has supported economic regeneration in the Caithness & North Sutherland area both directly and through its contractor, Dounreay Site Licence Company (DSRL) delivering a variety of capital and labour based interventions.

The NDA has directly invested approximately £13M in capital based interventions into the local area. A summary of the NDA supported projects is given in [Appendix 1](#).

Additionally, since 2012, the NDA requires DSRL, through contractual arrangements, to commit through a further £500k for socio economic activities. These activities are recorded in Dounreay Socio Economic Plans and Annual Reports.

In 2013, a study was commissioned with the objective of assessing the impacts of a sample of ten socio economic activities of DSRL and the NDA. This paper presents a summary of the findings of the study.

## **Assessment of NDA / DSRL Socio Economic Activities**

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### **Study Objectives and Methodology**

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The detailed objectives were to:

- Develop a format for the impact assessment.
- Assess the impacts of a sample of the interventions undertaken since 2010.

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- Review the Dounreay Socio Economic Alliance's contribution to the Caithness and North Sutherland Regeneration Partnership (CNSRP).
- Review the Dounreay Socio-Economic Plan (2013/16) to develop a means by which the Alliance can assess/measure the outcomes/impacts of the interventions.
- Provide recommendations on how best to target resources in order to improve their economic impact.

The research was undertaken through:

- Identification of a sample of 10 interventions to be assessed.
- Developing a method for assessing each intervention.
- Desk based review of documents and other information.
- Collection of information from organisations involved in delivering the interventions on behalf of DSRL and NDA.
- For two interventions, direct surveys of beneficiaries.
- Consultations with DSRL and NDA socio-economic staff, and with other stakeholders.

### Assessment of Interventions

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**Table 1**, summarises the economic impacts of the ten interventions that were assessed.

The interventions shown at **Table 1** are only a sample of those undertaken since 2010. Consultees also commented favourably on a number of others, including the North Highland Regeneration Fund.

### Conclusion

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There is some degree of additionality in all the interventions and in most cases this is assessed as high. Thus, the interventions have generated a significant amount of activity that would not otherwise have occurred or would have done so later in time and/or at a smaller scale.

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**Table 1: Sample Interventions: Economic Impact Information**

<b>Project</b>	<b>NDA / DSRL Intervention</b>	<b>Measurable Gross Impacts</b>	<b>Comment on Additionality</b>
<b>ETEC</b>	NDA: Funding Support of £2M	Wage uplift over time estimated as around £1.6 million based on 241 full-time students to date	Likely that the facility would not have been created without NDA support. DSRL's inputs resulted in a higher quality and more relevant facility
	DSRL: Project Support		
<b>Scrabster Harbour Phase 1</b>	NDA: Funding support £2M	Part of a long term development plan which is forecast to create around 350 FTE jobs in Caithness	At a minimum, NDA funding brought Phase 1 forward in time
<b>Wick Harbour Marina</b>	NDA: Funding Support of £315k to Pontoons	£36,141 business turnover per annum-berths only £41,562 business turnover per annum (forecast)-berth plus toilets and showers	£17,025 net additional business turnover per annum- berths only
	DSRL: Funding Support of £29k to Toilets & Showers		£18,302 net additional business turnover per annum (forecast)-berths plus toilets and showers

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<b>Caithness Horizons</b>	DSRL: Funding Support of £90k pa (2008 – 2018)	17 (9 FTE) direct Caithness Horizons posts £174,510 annual gross wages	Gross impacts could be reduced by at least 25% in the absence of DSRL funding
<b>CNSRP Programme Manager (2010 – 2014)</b>	DSRL: Funding Support of £90k	None capable of attribution	Would still have proceeded without DSRL funding. However, wider benefits to both DSRL and CNSRP from their involvement
<b>Invest Caithness</b>	NDA: Funding of £38.5k	None capable of attribution	Activities unlikely to have taken place without NDA and DSRL funding
<b>Make The Right Connections</b>	NDA: Funding of £808k DSRL: Funding of £300k	Tentative estimate that 165 of the beneficiaries to date will be able to find future employment as a result of participation	Without NDA funding the programme would not have taken place. DSRL funding will have increased the number of beneficiaries
<b>North Highland Connections</b>	NDA: Funding of £180k (2009-2012) DSRL Funding: £105k (2012-13)	Visitor expenditure impacts from events cannot be calculated due to insufficient information-but likely to be modest. No impacts to date from cultural hub development work. Potential impacts unknown due to insufficient information	DSRL and NDA funding supported the continued work of the organisation. Without the posts there would have been no development work or programme of activities

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<b>Business Development Activities</b>	DSRL: Resource	No impacts	Most of the research would not have been produced without DSRL involvement
<b>HIE Inward Investment Secondment</b>	DSRL: Resource equivalent to 0.5FTE	No impacts to date	Very unlikely that the post would have existed without DSRL secondment

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Other Findings

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Most consultees view NDA and DSRL as good partners whose staff makes a positive contribution to the work of the CNSRP.

Based on the research undertaken it is recommended that NDA and DSRL's future focus is on

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The Dounreay Socio-Economic Plan (2013/16) contains a very large number of activities to be undertaken over a three year period. It is neither realistic nor tractable to produce a means of assessing/measuring the outcomes/impacts of such a large number of interventions. The resources that DSRL would require to implement such a system would be well beyond that available in the Socio-Economics team.

**Ken Nicol**

Dounreay Site Restoration Limited

**Anna MacConnell**

Nuclear Decommissioning Authority

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**Appendix 1: Summary NDA capital Interventions (2005 – 2013)**

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	<b>Organisation / Project Supported</b>	<b>NDA Capital Intervention</b>
<b>2005/06</b>	North Highland Regeneration Fund	£500,000.00
<b>2006/07</b>	Caithness Horizons	£ 100,000.00
	Halkirk Community Sports Foundation	£ 5,000.00
<b>2007/08</b>	North Highland Initiative	£20,000.00
	Caithness International Science Festival 2007	£10,000.00
	Pulteney town Peoples Project	£38,000.00
	HIE Caithness & North Sutherland Socio Economic Study	£30,000.00
	Caithness International Science Festival 2008	£10,000.00



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<b>2008/09</b>	North Highland Regeneration Fund	£1,000,000.00
	Scrabster Harbour	£10,000.00
	Caithness Horizons	£26,625.00
	Caithness Archaeological Trust	£60,000.00
	Caithness International Science Festival 2009	£10,000.00
	Wick Harbour	£465,800.00
	North Highland Tourism	£75,000.00
<b>2009/10</b>	North Highland College – ETEC building	£2,000,000
	Caithness Chamber of Commerce	£120,000.00
	North Highland Connections	£180,000.00
	A Vision for Caithness & North Sutherland (CNSRP)	£30,000.00
	Royal National Mod	£60,000.00

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<b>2010/11</b>	Caithness Science Festival 2010	£15,500.00
	Scrabster Harbour Trust	£2,000,000.00
	Wick Community Enterprise Centre	£200,000.00
	Caithness Chamber of Commerce - Business Support Programme	£143,500.00
	Make the Right Connections - Skills Transition Programme	£ 808,875.00
<b>2011/12</b>	Caithness & North Sutherland Fund	£1,000,000 (Committed £300,000 pa for 10 years from 2014)
	North Highland Regeneration Fund	£350,000.00
	North Highland College - Energy Apprentice Programme	£400,000.00
	Transport Scotland - Berriedale Braes Engineering report	£100,000
<b>2012/13</b>	Wick Harbour Trust	£250,000