

DOUNREAY STAKEHOLDER GROUP  
SOCIO ECONOMIC SUB GROUP

DSG/SESG(2014)M003

Minutes of DSG Socio Economic Sub Group meeting held on Wednesday 23<sup>rd</sup> July 2014 at 1330 hours in Pentland Hotel, large lounge.

Present:	Derrick Milnes	Wick and Thurso Trades Council (chair)
	David Flear	DSG Chairman
	Alastair MacDonald	DSG Honorary Member
	Debbie Gray	North Highland College
	Trudy Morris	Caithness Chamber of Commerce
	John Green	Caithness Voluntary Group
	Eann Sinclair	CNSRP
In addition:	June Love	DSG Secretariat
	Anna MacConnell	NDA Socio Economic and Stakeholder Relations Manager
	Ken Nicol	DSRL Socio Economic Manager

## MINUTES

### 1. WELCOME AND INTRODUCTIONS

Derrick Milnes welcomed everyone to the meeting.

### 2. APOLOGIES

Apologies were received from:

- Bob Earnshaw      Thurso Community Council
- Cllr Mathew Reiss   Highland Council
- Ronnie Johnstone   Church of Scotland
- Jean Lipa            Association of Caithness Community Councils
- Sandy Mackie        Scrabster Harbour Trust
- Murray Lamont      North Highland Tourism
- Phil Cartwright      DSRL Socio Economic and Communications Manager

June Love noted that Phil Cartwright would not attend this sub group on a regular basis to ensure appropriate attendance from DSRL. He would, however, attend if required for specific subjects and was happy to meet with the Business meeting as appropriate.

### 3. MINUTES OF LAST MEETING

The minutes of the last meeting had been circulated to members in advance of the meeting – DSG/SESG(2014)M002 refers. The minutes were accepted as a true reflection of the meeting. This was proposed by David Flear and seconded by Alastair MacDonald.

David Flear noted that, in partnership with Foundation Scotland, he had attended a second meeting of the follow up to the Caithness Conversation. The meeting had been poorly attended and there did not appear to be an appetite for a Caithness-wide fund. Anna MacConnell felt that if a proposal was put to those bodies who have received windfarm funding for a Caithness-wide fund they may be more supportive. Trudy Morris noted that the Caithness Business Fund had been created with funding from Baillie Wind Farm and this funding went towards helping business and start-ups.

#### 4. PROGRESS ON ACTIONS

The status of actions had been circulated to members in advance. Derrick Milnes highlighted the following actions:

- DSG(2014)M002/A009: Phil Cartwright to meet with the DSG business meeting, at an appropriate time, to discuss the socio economic budget breakdown. Action complete: meeting has been scheduled to take place on 25<sup>th</sup> July 2014.
- DSG (2014)M002/A024: Anna MacConnell, NDA to provide the list of projects against the spend outlined in DSG(2014)C014. Action complete: Anna MacConnell, NDA provided a hard copy of the information to be circulated to members – see DSG(2014)C052.
- DSG (2014)M002/A025: Eann Sinclair to provide a timeline of actions generated from the Tourism meeting. Action ongoing – Eann Sinclair noted that this action was ongoing and information would be available at the next meeting.
- DSG (2014)M002/A026: Ken Nicol to provide a quarterly report on procurement to outline all contracts awarded and highlighting those with a socio economic commitment. Action complete – Ken Nicol tabled a paper outlining the contracts awarded. Members agreed this was the type of information they were looking for and this would not be combined with the Dounreay Socio Economic report on a quarterly basis.

Ken Nicol noted that Mike Muir, Commercial Department had offered to attend the meeting to provide further information on procurement activities.

Derrick Milnes noted that AMEC had recently announced a contract award. Ken Nicol responded that this was a framework contract for the provision of professional services. AMEC were one of six companies awarded a framework contract.

David Flear felt it would be a good idea to invite Mike Muir to the next meeting to provide some idea of what could potentially be included in contracts in relation to socio economics and how success would be assessed.

Action: DSG/SESG(2014)M003/A001: June Love to invite Mike Muir, Commercial Department to next Socio Economic sub group meeting in November.

- DSG (2014)M002/A029: Ken Nicol to respond to questions raised on one projects within the impact assessment report. Action complete – see DSG(2014)C038.

David Flear thanked Ken Nicol for providing the information in relation to Action 29. He noted that funding applications currently went into a site meeting for consideration and asked whether there was a mechanism to allow a DSG representative, ie the Socio Economic sub group chairman, to get involved when assessing an application. Ken Nicol noted that as part of the funding application there was a request to ensure a letter of support was provided by a local Councillor or community council. David Flea responded that the DSG's role was one of oversight and scrutiny and believed that this would provide discussion on funding applications with an additional dimension. Ken Nicol agreed to take this away and come back with a proposal.

Action: DSG/SESG(2014)M003/A002: Ken Nicol to consider how the DSG Socio Economic sub group chairman could be included in the consideration of funding applications for socio economic funding.

- DSG (2014)M002/A031: Eann Sinclair to provide clarity on the jobs created/ forecasted and lost. Action complete: Eann Sinclair noted that the job numbers were based on gross figures.

#### 5. COMMUNITY FUND REQUESTS

A number of funding applications were considered and agreed. Declarations of interest were as follows:

2014/15-013: Alastair MacDonald

2014/15-028: Alastair MacDonald

There was a general discussion on application 2014/15-011 and agreement was put to a vote. Of those eligible to vote there was 5 in favour, 1 abstention and 1 not in favour.

#### 6. DOUNREAY SOCIO ECONOMIC UPDATE

Derrick Milnes noted the following correspondence had been circulated in advance to members:

- DSG(2014)C041: NDA Site Stakeholder briefing, June 2014
- DSG(2014)C048: NDA Site Stakeholder briefing, July 2014
- DSG(2014)P017: Dounreay Socio Economic update
- DSG(2014)C047: DSRL's Heritage update

Derrick Milnes invited Anna MacConnell, NDA to provide a verbal update. Of note:

- NDA had now approved funding for Venture North of £150K for a two year programme of work. The total cost of the project was £300K with the emphasis of the project in improving the tourism offering. The project includes events, training, digital marketing, etc. The programme developed could be split into a number of smaller projects and NDA's funding was flexible to recognise the series of projects across the two year timespan. Elle Lamont, Mackays Hotel, was chairperson of Venture North with a number of business people working in tourism involved.
- NDA were currently considering funding of a potential marine energy project. Due to commercial sensitivities details were not divulged. David Flear asked what the benefits of the funding would bring. Anna MacConnell responded that all NDA funding was targeted against job creation.
- NDA were currently considering another renewable project relating to aero generators. At present this was new technology which required testing. At present discussions are currently underway with HIE for additional support. The approach for support to NDA was for the use of NDA-owned land.
- NDA rejected an application from the RSPB for funding towards an outreach centre at Forsinard.

David Flear noted that the NDA had published a paper summarising Sellafield's positive contribution to the regional and national economy. He asked if this was something that NDA would consider whether there was value in taking this forward for Caithness and North Sutherland. Anna MacConnell responded that she would look into this.

Action: DSG/SESG(2014)M003/A003: Anna MacConnell to consider whether there was value in considering a paper, similar to Sellafield's, summarising the positive contribution to the regional economy.

- The National Nuclear Archives project was continuing. Four potential bidders had been identified and discussion with them was ongoing. While competition dialogue had commenced there had been a change in Government legislation in relation to public procurement with some projects now having to go through a dialogue process. Discussions are ongoing and it was expected that a dialogue process would take place in late September/early October. A socio economic element within the contract existed and bidders may or may not wish to discuss this with the wider community. The Invitation to proceed to dialogue will be issued at the end of August. The project was still on schedule to be delivered in 2016.

David Flear thanked Anna for her update. He asked for a new timeline for this project given the change in procurement.

Anna MacConnell responded that the timeline provided to DSG in March was still relevant. In relation to the design/build OJEU advert, there had been a decision to have a commercial partner in that process because of Cabinet Office requirements. The design/build work is ongoing now. When a commercial partner is appointed they will get involved at that stage which will give sufficient time for their input into the design.

David Flear noted that discussions had been held with Highland Council and asked if there were any problems with the North Highland Archive. Anna MacConnell responded that NDA and Highland Council were working closely on this project and the North Highland Archive would be included. The Highland Council would be an end-user of the facility, as is Dounreay and the other NDA sites, and end-user requirements would be agreed. David Flear asked if Highland Highlife was continuing to advise the Highland Council. Anna MacConnell responded that Highland Highlife continued to advise Highland Council, however there was also a ring-fenced team who are dealing with the potential commercial side. David Flear offered to speak to Highland Council if there were any issues he could help with given he had been involved with this project from the outset. Anna MacConnell noted the potential this would go to a full Highland Council meeting to ensure the end-user agreement is signed off.

Derrick Milnes thanked Anna for her input and handed over to Ken Nicol, DSRL Socio Economic Manager. Of note:

- Phil Cartwright was due to meet with the business meeting to discuss the funding profile for the socio economic plan.
- DSRL secondment to HIE to support inward investment continued. This was beginning to bear fruit with the announcement of PSS moving into Wick Business Park.
- DSRL was contacted for information by one of the CNSRP partners concerning a potential development to support the renewable energy sector. This project was being led by HIE and

Ken Nicol would continue to keep up to date with progress.

- Procurement topics were discussed including the provision of catering services and a requirement for the design, build and commissioning of a store extension to an existing waste facility.
- DSRL and Chamber of Commerce were in early discussions of a pilot project to support business start-ups. This project had been discussed with CNSRP and was supported provided there was no duplication with Business Gateway.
- The Ready Steady Work programme is a four day course in the summer holidays to give practical skills to move into employment. The event held in Thurso was successful with an event in Wick scheduled for 11<sup>th</sup> August. Over 30 students had registered to attend these events.

David Flear noted that in the written report reference was made to providing Energy North with a report. Ken Nicol responded to his request for further information, stating that the report was focussed on DSRL's skills base.

David Flear noted that work was continuing on potential spin outs from the Dounreay site. He asked what type of work could be spun out. Ken Nicol responded that was what was being currently considered and discussions were ongoing with other organisations including HIE who had indicated that a spin out could be made up of a smaller grouping of people.

Alastair MacDonald noted that it was pleasing to see that the organisations involved in CNSRP were starting to see the benefits of working together.

Members also noted the heritage update. No questions were raised.

## 7. UPDATES ON SOCIO ECONOMIC ACTIVITIES

Derrick Milnes noted that a written update had been provided by CNSRP – see DSG(2014)P016.

Eann Sinclair highlighted the following:

- Process Safety Solutions had opened a new base in Wick and have announced the creation of 30-40 jobs over the next two years.
- A Memorandum of Understanding had been announced between Moray Offshore Renewables Ltd (MORL) and Wick Harbour.
- HAIL and Chevron announced the recommencement of helicopter flights from Wick John O'Groats airport.

David Flear queried the new hangar. Eann Sinclair responded that the new hangar was for NHV's helicopter base. In addition to this HIE had commissioned a study to look at the energy sector's potential for Wick and Sunburgh airports. The study is due to be complete in August and HIAL had already spoken with Highland Council and HIE about possible requirement for a new hangar at Wick John O'Groats airport.

- SSEs sustainability fund approved grant support for joint MAKLab/Wick High School's bid to develop a digital fabrication lab in Wick and a mobile facility.

David Flear noted that it was good to see so many positive stories coming forward which were announced during the recent Cabinet visit.

John Green stated that they were still awaiting for improvements in broadband within the John O'Groats area. Trudy Morris responded that John O'Groats was still being looked at by BT. It had been confirmed that Thurso and Wick would be enabled by the end of March 2015. This had been discussed at CNSRP and Roy Kirk was going to talk to Stuart Robertson to get further information. It was noted that Caithness was not included in the recent round of announcements and it was expected that Thurso and Wick would be announced in September/October. On a personal note, Trudy stated that she had exchanged her router for a more up to date one and was now getting speeds of 20MW.

- Simon Middlemas was currently working with CNSRP to produce a programme and plans. This had been taken through the CNSRP Delivery Team, Executive Board and Advisory Board and it was expected that these would be ready by December.

Derrick Milnes thanked Eann Sinclair for his input and asked members around the table for an update. Of note Trudy Morris, Chamber of Commerce, outlined:

- The recruitment of two part-time workers who would take on the role as Business Development Manager. Eilidh Gunn would start next week with Fiona Levack commencing work on 11<sup>th</sup> August.
- The Chamber would be recruiting a graduate from the HIE graduate scheme. This was building on the successful recruitment of David Swanson, an ex-graduate who had grown within his post.

Eann Sinclair re-inforced the usefulness of the graduate scheme citing Natural Retreats as another example of taking on a graduate and recruiting them on a full time basis following their graduate placement.

- The Chamber was working with Venture North on a co-operative. There had been agreement on a joint membership deal so some of the smaller bed and breakfasts could get benefits from both organisations.
- Make the Right Connections was being wound done and was due to finish at the end of the calendar year. Some training has been withdrawn because some beneficiaries had not taken up their training over the last 12 months.
- Discussions had taken place with Thurso High School to include them in the Young Enterprise scheme. Wick and Farr high schools were already involved. 19 pupils from Thurso had registered an interest and this would be taken forward.

#### 8. CORRESPONDENCE SINCE LAST MEETING

Derrick Milnes noted that DSG had responded to Scottish Hydro Electric proposed transmission project between Caithness and Moray – DSG(2014)C028 refers. Eann Sinclair noted that SSE had offered their thanks to everyone who had responded to this consultation.

#### 9. ANY OTHER BUSINESS

Derrick Milnes noted that the following:

- DRS had provided an update on their commercial activities.

Derrick Milnes noted that a number of DSG representatives had attended the Caithness Transport Forum meeting where DRS had attended. He felt that the meeting had not provided confidence in DRS's ability to attract commercial freight and he, among others, had been disappointed in the way this has been taken forward.

Trudy Morris added that four senior representatives of DRS had attended the meeting. She too felt it was disappointing from a business point of view as previously a lot of effort had been provided by a number of businesses who had provided information on potential opportunities for commercial freight. It appeared by the presentation made that DRS were back to square one.

David Flear stated that from a DSG discussion on socio economics legacy point of view this meeting had been extremely disappointing and appeared that commercial activities were not viable. He felt it may get to a stage there was a realisation that there was no socio economic benefit from the railhead and DSG members would need to consider the way forward if this was the case. Derrick Milnes added that he fully supported David Flear's statement.

Trudy Morris noted that she had suggested that DRS get back up in September for further discussion at the Caithness Transport Forum. She asked that DSG members consider commenting on the DRS document and provide to her to ensure a joint respond was provided to DRS.

Anna MacConnell noted that she understood that DRS had planned to come back to Caithness. Trudy Morris responded that this had been offered but that DRS had not responded to confirm attendance.

Ken Nicol asked whether the question on traffic calming measures had been followed up. Anna MacConnell responded that options had been considered however these measures would only be put in place once there was a requirement.

Action: DSG/SESG(2014)M003/A004: DSG members to consider DRS's information and provide DSG secretary with comments for onward transmission to Trudy Morris to provide a joint Caithness Transport Forum/DSG response.

David Flear stated that at the recent PBO stakeholder event he had taken the opportunity to suggest to John Clark, NDA Chief Executive, that Dounreay/Caithness could host the next NDA National Stakeholder Group event. Anna MacConnell noted that this had not been communicated to her and she thought that the next event would take place in Wales. However, she would take the suggestion back for consideration for another scheduled event.

Action: DSG/SESG(2014)M003/A005: Anna MacConnell to explore with NDA the possibility of holding the NDA National event in Caithness.

10. CLOSE

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

Derrick Milnes  
DSG Socio Economic sub group chairman  
27<sup>th</sup> July 2014

ACTIONS ARISING FROM THIS MEETING

DSG/SESG(2014)M003/A001: June Love to invite Mike Muir, Commercial Department to next Socio Economic sub group meeting in November.

DSG/SESG(2014)M003/A002: Ken Nicol to consider how the DSG Socio Economic sub group chairman could be included in the consideration of funding applications for socio economic funding.

DSG/SESG(2014)M003/A003: Anna MacConnell to consider whether there was value in considering a paper, similar to Sellafield's, summarising the positive contribution to the regional economy.

DSG/SESG(2014)M003/A004: DSG members to consider DRS's information and provide DSG secretary with comments for onward transmission to Trudy Morris to provide a joint Caithness Transport Forum/DSG response.

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