

Endorsed on 11th November 2015

**DOUNREAY STAKEHOLDER GROUP
SOCIO ECONOMIC SUB GROUP**

DSG/SESG(2015)M003

Minutes of the DSG Socio Economic Sub Group meeting held on Wednesday 15th July 2015 at 1330 hours in the Pentland Hotel (large lounge), Thurso.

Present:

- DSG(2015)M002/A003: June Love to write to DSRL Heritage Officer to request PhD student joins DSG once selection. **Action complete:** A letter had been written and confirmation received that there were two applicants. Once selection was completion an invitation to join DSG would be extended to the successful applicant.

David Flear stated that DSG comments had been provided to DSRL (Dounreay Socio Economic Plan) and NDA (NDA's contribution to Socio economics). He noted that DSRL had completed out the action by providing an update on how comments had been addressed (see DSG(2015)C048). He thought it would be useful to request an update on the NDA's paper in relation to comments received.

Action: DSG/SESG(2015)M003/A001: June Love to request update from NDA on the comments received from DSG on NDA's socio economic paper.

Derrick Milnes stated he had met with Anna MacConnell who had run through a small number of projects that NDA is currently involved in. Because of commercial sensitivity it was not possible at this time to provide detail but information would be provided at the appropriate time.

David Flear noted that an invitation had been extended to Dr Paul Monaghan, MP to meet with DSG members. He had received a telephone call from Dr Monaghan's Chief of Staff today in respond to a press article relating to Vulcan which had been published in the local press. He had taken the time to explain some of the work being undertaken by CSNRP and had emphasised the importance of the MP meeting with representatives to get an update. It was agreed that June Love should contact Dr Monaghan's Chief of Staff to organise a convenient date for a meeting.

Action: DSG/SESG(2015)M003/A002: June Love to speak to Dr Monaghan's Chief of Staff to identify a convenient date for a meeting with Dr Paul Monaghan, MP. [Secretary's note: the secretary had received a phone call from the MP's Chief of Staff and was currently looking for a date to hold this meeting.]

David Flear also noted that Margaret Davidson, Leader of the Highland Council, had been invited to the turf cutting evening in August for the NDA Nuclear Archives. He had spoken with Cllr Bill Fernie who had emphasised the importance of Margaret Davidson meeting with local representatives for an update. A meeting following the NDA Nuclear Archive event would be organised with local representatives.

Action: DSG/SESG(2015)M003/A003: June Love to finalise arrangements for meeting with Margaret Davidson, Leader of the Highland Council.

5. DOUNREAY COMMUNITY FUND

Derrick Milnes noted that a number of applications for funding had been received. He reminded members to declare an interest where appropriate. Recommendations were agreed.

6. DOUNREAY SOCIO ECONOMIC ACTIVITIES

Derrick Milnes noted two written updates and invited Ken Nicol, DSRL to provide an update. Of note:

- **DSG(2015)C048: Response to DSG comments on Dounreay Socio Economic Plan 2015/18.** Ken Nicol stated that comments had been received on the Dounreay Socio Economic Plan by DSG and other key stakeholders. A number of comments were based on clarity of the wording within the plan and these were addressed and modified.

He noted that the DSG operational costs (£30K) had been removed from the Socio Economic budget and would be funded from a different budget.

While recognising there had been a number of comments on whether staff costs should come from the socio economic budget it was stated that this had been negotiated through the site's contract and therefore could not be changed unless agreed by the NDA and PBO.

David Flear noted that he and Derrick Milnes had met with Craig Brown (DSRL Support Director) and Ken Linn (Head of Commercial) and had found there was some activity being undertaken in regards socio economic benefits in Dounreay contracts which was comforting.

Eann Sinclair noted that HIE had provided comments on staff costs and Ken Nicol stated that a response had been sent to HIE which re-iterated that this had been negotiated through the contract. Ken Nicol highlighted that nearly 80% of the funding was going to support external activity.

- **DSG(2015)P015: Dounreay Socio Economic Alliance, July 2015 update**

Ken Nicol noted the following:

- Cavendish Nuclear project was progressing to schedule.
- The NDA Nuclear Archive was moving forward and the turf cutting ceremony would take place on 5th August.

David Flear noted he had been asked to cut the turf. June Love noted that the NDA Nuclear Archive would be adopting the strapline 'From Caithness to the World'. Ken Nicol added that the construction contract had been awarded to Morrison Construction and the Commercial Partnership to Crimson. Both companies were based in the Highlands and Islands. David Flear also noted that he had met with Anna MacConnell when these contracts were being put in place and it was pleasing to note that there were socio economic benefits within both contracts.

- The Business Development project being run by the Chamber of Commerce was ongoing with a number of individual's from Dounreay taking advantage of support through mentoring and a number of training courses.

Fiona Levack stated that the NDA had approved a funding application for £180,000 to support the Scottish Government's initiative on 'Developing the Young Workforce' (was originally named Invest in Young People). Feedback from Scottish Government on the Chamber's application for a regional group was due to be provided on 4th August.

Ronnie Johnstone asked if there would be outcomes associated with the NDA's funding for this project. Fiona Levack responded that there was a forward plan being developed and as with all funding activities impacts and outcomes would be addressed. Graham Cameron added that he was aware that this project would have a Governance Group which would monitor the outcomes and impacts going forward. Eann Sinclair also noted that, having been involved in the development of this project, he was aware of some of the outcomes being considered and these were quite tough.

- DSRL Direct Funding: Ken Nicol noted that a number of requests had been submitted to the Dounreay Socio Economic Board which totalled more than the uncommitted budget for this year. The CNSRP programme manager had been asked to prioritise these projects with some falling into next financial year. A total of £150K would be committed to support two CNSRP projects this

year and consideration was being given to funding requests for next year.

- Socio economic benefit in procurement: Ken Nicol continues to work closely with the Commercial Team to suggest different mechanisms for socio economic benefit.

David Flear noted that he and Derrick Milnes had met with Craig Brown and Ken Linn as he had been concerned projects coming forward did not appear to have a socio economic element built in, in particular the low level waste vaults. While understanding that Ken Nicol had spent time with the Commercial team it seemed to be that outputs from this was not as good as they could be. After meeting with Craig Brown/Ken Linn he was re-assured that activity was taking place.

- Community Sports Hub: Phil Cartwright and Shona Kirk had met with Stuart Black regarding planning around the facility. Further work was ongoing.

Ronnie Johnstone noted that there had been a number of projects similar to this and these had not been completed because of the various requirements from a number of organisations. He felt it was important not to raise expectations.

There being no further questions Derrick Milnes thanked Ken Nicol for his input and invited Graham Cameron to provide an update on the People Plan. Graham Cameron reported the following:

Putting the People Plan into context, Graham Cameron explained that this was as a result of the rebaselining of the decommissioning programme with the interim end state now sitting at 2030.

The previous plan, based on the earlier interim end state date, assumed that there would be a phased reduction in the DSRL workforce starting in FY 2018/19. As a result DSRL policy had been to supplement the core workforce using contractor/agency support as necessary.

The revised baseline has challenged some of the assumptions made in the previous plan and therefore a complete review was undertaken and a number of themes identified. Added to that was the fact that the site has a mature workforce and the longer programme meant there was an increased risk of losing knowledge and experience through retirements. Increased consideration had been given to management succession planning along with looking at the economics of the balance between the DSRL workforce and number of embedded contractors/agency workers.

The People Plan was put together to address all these issues and to ensure that the resource required was correct. This plan showed that there was around 150-200 new requirements over the next few years.

Recruitment activity commenced with recruitment events being held in Thurso and Aberdeen and this had proved successful with over 100 people of varying disciplines attending both events. The site was currently working through the applications and it was expected by the end of the month this would be concluded.

David Flear noted that two letters had been received following the last public DSG meeting expressing concern about the recruitment impacting on local supply chain companies. Graham Cameron responded that in terms of people DSRL had identified two individuals who had been recruited directly from local SMEs. The site was also trying to rebalance the number of DSRL staff against embedded contractor staff and this had resulted in a number of contractor conversions, mostly coming through agencies.

One of reasons for going to Aberdeen was to try to recruit into the area with the objective of recruiting people into full time DSRL staff. However, many of those who came from the oil and gas industry wanted to be recruited on a contract basis.

Graham Cameron stressed that the recruitment process was ongoing and added that one of the successful areas had been graduate recruitment with 15 graduates now offered full time positions.

Eann Sinclair noted that the CNSRP had a talent attraction activity on the CNSRP programme and this was to ensure that jobs for spouses/partners could also be attracted. Vacancies would include those from NHS and Highland Council as well as supply chain requirements.

Eann Sinclair stated that the staffing data that was supplied to CNSRP was very helpful in understanding the existing skills in the area. While the information for the new programme had been provided it had been provided in graphical form and it would be useful to receive the raw data that sits below this.

David Flear asked whether Vulcan had lost people as a result of the Dounreay recruitment. Graham Cameron responded that there had been a long history of people migrating to and from both sites and some former DSRL staff had returned. Graham added that an element of the plan is to ensure knowledge retention and therefore the site was also looking at internal opportunities for those already employed.

On the trainee side, there had been a lot of interest in the apprentice scheme and in particular with the mature apprenticeships. Two DSRL staff had been taken on as mature apprentices.

DSRL were also looking to see if there were people being released from other parts of the nuclear industry, for example in Magnox Ltd, who may be interested in working at Dounreay.

David Flear thanked Graham Cameron for his update adding he found this very helpful.

7. CNSRP UPDATE

Derrick Milnes noted that there had been a written report provided to members – DSG(2015)P014 refers. He invited Eann Sinclair to pick out highlights from the paper. Of note:

- The programme manager was currently discussing updates with the project owners for the next round of plans for the CNSRP high level programme. From those discussions:
 - Highland Council had secured three years of funding to upgrade the Killimster road.
 - Wick JOG airport had completed the hangar cladding and was about to embark on the recladding of the apron.

David Flear asked whether ScrabstcraHou Trust a provided timelie for thei project Eann

Eann Sinclair noted that Shona Kirk, Cavendish Nuclear was working with Wick Harbour Authority to take plans forward in relation to the offshore wind projects. There had been a number of positive meetings with SSE.

Derrick Milnes invited other round the table to provide an update.

- **Chamber of Commerce:** Fiona Levack noted the following:
 - Currently membership of the Chamber stands at 183.
 - Through the North Highland Regeneration Fund, the Chamber was involved with IStar competition in conjunction with North Highland College.
 - There were currently no applications for the Young Entrepreneur of the Year award. A further award – Young Business of the Year – was currently being developed.
 - Was working with the Scottish Chambers on the European referendum, Scottish rates and income and the business pledge.
- **Thurso Community Council:** Bob Earnshaw noted:
 - The Ward Forum was meeting on 22nd July where traffic management would be discussed.
 - There was a possibility that the Highland Council gardening staff would be reduced which would mean the end of gardening activities around St John's Square etc. There has been a request from Highland Council for local communities to get together and volunteer to keep the public gardens tidy. Consideration was being given as to whether to do some local publicity around this.

Ken Nicol stated that he thought this was only the tip of the iceberg when it came to Highland Council budget. He believed there was worse to come.

- **Association of Caithness Community Councils:** Jean Lipa noted:
 - Funding for village officers had been substantially reduced from previous years.

8. CORRESPONDENCE FOR NOTING

Derrick Milnes noted the following correspondence:

- DSG(2015)C012: DSG letter regarding HC budget restrictions
- DSG(2015)C044: Response to HC Budget restrictions
- DSG(2015)C039: DSG letter to DSRL regarding socio economic benefits in low level waste vaults phase 2.
- DSG(2015)C042: Response to socio economic benefits in low level waste vaults
- DSG(2015)C037: DSG letter regarding HC wards
- DSG(2015)C041: Response to number of wards within Caithness area.

9. ANY OTHER BUSINESS

Members were invited to raise any other business. Of note:

- Jean Lipa noted that there were negotiations currently ongoing with the sale of the Tesco site.
- June Love noted that she had been invited to a LEADER meeting on behalf of DSG
- June Love noted that the date for the September DSG public meeting would need to be changed because of a clash with an NDA National Event.
- David Flear reminded members that DSRL had invited members to visit site and this would take place on 23rd July 2015.

10. ANY OTHER BUSINESS

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

Derrick Milnes

DSG Socio Economic sub group chairman

19th July 2015

ACTIONS ARISING FROM THIS MEETING

DSG/SESG(2015)M003/A001: June Love to request update from NDA on the comments received from DSG on NDA's socio economic paper.

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