

Dounreay Socio Economic Alliance Report to DSG, July 2016

INTRODUCTION

This report has been reformatted to reflect the activities which are aligned to the CNSRP programme and then provides information on other activities which sit within the Dounreay Socio Economic Alliance Plan for 2016/18.

The Dounreay Socio Economic Alliance is a partnership between NDA, Cavendish Dounreay Partnership and Dounreay Site Restoration Ltd.

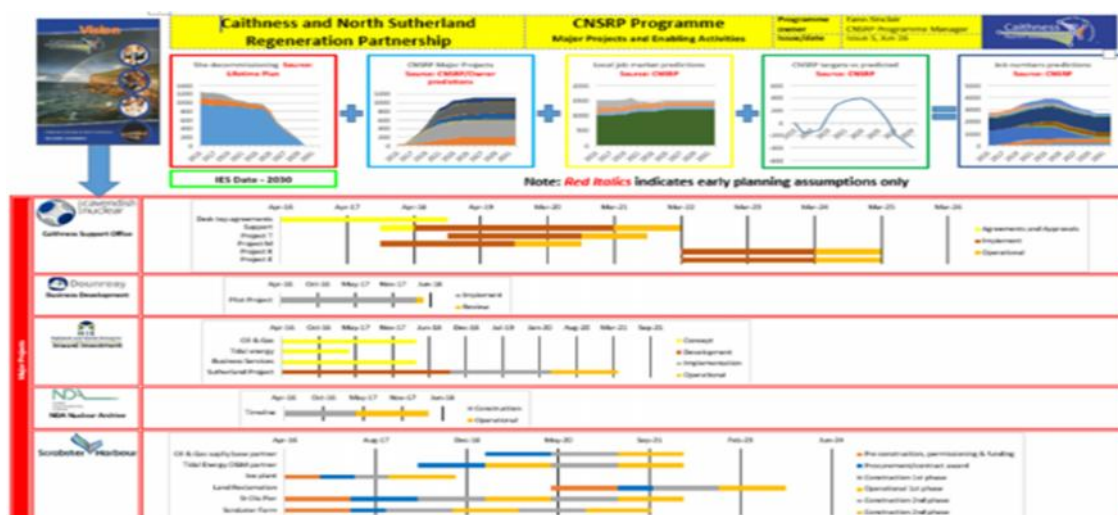
CNSRP PROGRAMME ACTIVITIES

Support to CNSRP Programme Manager

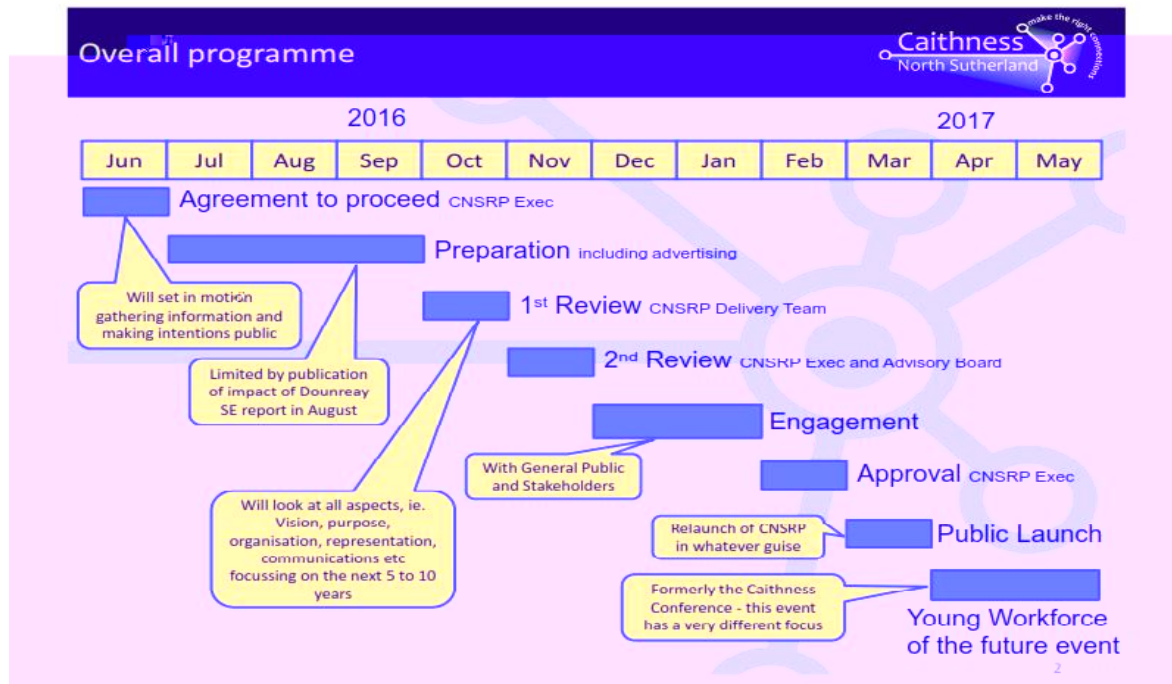
Support to CNSRP Programme Manager has been provided by Simon Middlemas for the CNSRP job projections presentation which has been provided to a number of groups including the Dounreay Union and Safety Reps, site workforce (3 sessions), Chamber of Commerce Board and CNSRP Advisory Board. The presentation has been well received and the speakers have challenged the audience to question anything they do not believe. The presentation draws the conclusion that despite the wildly held belief that there will be a shortage of jobs when the site decommissioning concludes, there are actually good job prospects in the future. The key focus for CNSRP and the area should be on ensuring there is a workforce available to do these jobs, ie, Skills availability.

CNSRP Programme and Review

In addition to the presentation, Simon Middlemas has provided support in developing a CNSRP programme. The high level programme front page is shown below.



During the autumn, CNSRP is planning to conduct an overall review of its activities to ensure it is fit for the future. The projects and key enabling activities on this programme are also planned for review during this time. Simon Middlemas is providing support to Eann Sinclair for these activities. The overall programme for the review of is shown here.



Simon Middlemas is providing support to Eann Sinclair for these activities. The overall programme for the review of is shown here.

CNSRP Project updates

The project updates below are those projects which sit on the CNSRP Programme and responsibility is with various members of the Dounreay Socio Economic Alliance.

Cavendish Nuclear Project

Simon Middlemas is, on behalf of Cavendish Nuclear, investigating the formation of future new business in Caithness to meet the future resource requirements of Cavendish Nuclear Ltd and other opportunities.

Initial discussions have taken place with Cavendish Nuclear MD and the Dounreay MD who will need to agree the project viability prior to any decision being taken to implement. Dounreay’s Parent Body, DSRL Board, NDA and Regulators will also need to agree some or all proposals prior to any decision taken to proceed. This is the planned focus of any activity for the next couple of years and is, in the main desk-top activity.

NDA Archives

A presentation was provided to the June DSG public meeting – see DSG(2016)C025.



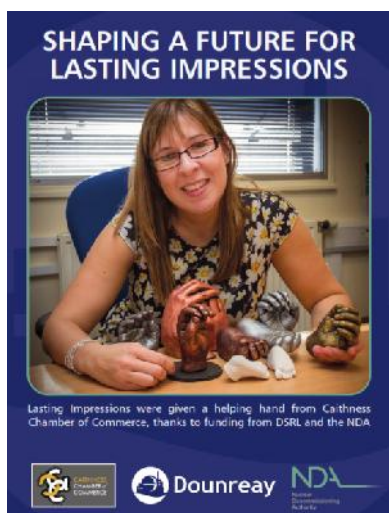
Progress on the construction is advancing well and Restore plc has reported that their recruitment event (held over two days in May) had over 250 visitors. Restore, as required by their contract with NDA, is also working closely with North Highland College to explore training requirements for the future.

The NDA site facing team is managing the commercial contract. Anna MacConnell, NDA Socio Economic and Stakeholder Relations Manager, who was pivotal in ensuring socio economic benefits were included in both construction and commercial contracts will oversee the socio economic element of the contract and will continue to work with Restore and its subcontractors in developing a communications plan. The building will be handed over to the NDA on completion in September/October and Restore will be brought in to manage the Nucleus. The Caithness Archives will be among the first documents to transfer to the new building. It is expected that the doors of Nucleus will be open to the public in January 2017.

Encouraged by the NDA, DRS have met with Restore regarding the transport of archive materials from various nuclear facilities to Wick. DRS and Restore are discussing the costs associated with the transport of the containers from Sellafield to Geogemas and have entered into discussions with DSRL about opportunities for sharing their service. These discussions are at the early stages and have been positively received, the benefits of sharing a service not only provide commercial and environmental efficiencies it will also demonstrate the terminal capability to other commercial users. The next stage of discussions took place in Dounreay last week.

Dounreay Business Development Project

Through a project jointly funded by the NDA and Dounreay , the Caithness Chamber of Commerce is offering business support and mentoring aimed at aspiring businesses in the Caithness & North Sutherland area. For individuals considering setting up their own business (either full or part time) the Chamber is able to offer guidance and support in areas such as business planning and writing business plans, employment responsibilities, establishing and registering a business, intellectual property/trademarks, market research and marketing and sales. The project is open to those looking to start up as a new business or those who have started a business which is less than 6 months old.



Since the project began in 2014, 70 people have received initial guidance, 43 have gone on to take further business advice and one has been provided with bespoke legal advice. The Chamber, not only provides those interested with advice but has organised a number of networking events to allow all those involved to get together and learn from each other.

During June 2016, it was agreed that this scheme could also support 2 young women from Wick High School who have developed an education app and are exploring ways of getting further support so they can get the app developed and take to market. They also require support to produce a marketing strategy and plan. While both are still students they are old enough for the purposes of Companies House and Dounreay was delighted to support this request.

Secondments linked to CNSRP

Dounreay staff have been seconded into various CNSRP projects and these include:

- ***Inward Investment***

50% of the Dounreay socio economic manager's, (June Love) time is seconded to HIE to support the Inward Investment offering. Over the last six months a number of discussions have been held with oil and gas companies and while it is difficult for this industry at this time the relationships that have been made continue.

Visits to the area continue with four company visits over the last quarter (relating to energy, space and business services). Six bespoke proposition documents have been prepared for individual companies interested in various projects.

Work is ongoing to finalise the UK Vertical launch feasibility study which is due to report at the end of summer. The potential project has stimulated a lot of interest from commercial companies.

A cost comparison study of using Scrabster Harbour (and Caithness) as a place for the oil and gas industry (especially in the Atlantic Frontier) has provided some positive information for the potential of realising cost efficiencies. KPMG produced the report (which was funded by Dounreay) and discussions between KPMG, Scrabster Harbour and HIE have taken place to consider how to take this piece of work further.

- ***Wick Harbour Authority***

Shona Kirk, Cavendish Nuclear, was seconded to Wick Harbour Authority in 2015/16 and will continue in this role until end of March 2017. Supporting the harbour with the business case and also discussions with SSE in relation to the Beatrice Offshore Windfarm Ltd (BOWL).

The financial closure for BOWL was reached on 23rd May and SSE named Wick Harbour as the operations and maintenance port.

- ***Community Sports Hub***

Shona Kirk, Cavendish Nuclear, was also seconded to provide support on taking this project forward especially looking at the various funding streams available. The project is taking slightly longer than anticipated due to prolonged discussions with Sports Scotland.

- ***North Highland College, UHI***

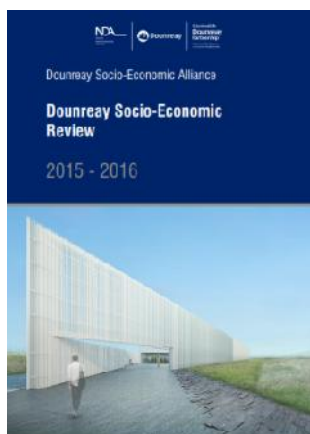
Marie Mackay, Dounreay is seconded to North Highland College two days per week to support the school link. This secondment has recently been extended until March 2017. Working in the secondary schools to encourage students to consider NHC as a choice for further education this secondment has begun to pay dividends with an increase in overall applications to the North Highland College (*up by 70 apps) and especially within the engineering disciplines (*up by 54). **Figures as at May 2016 and will fluctuate until August/September.*

DOUNREAY SOCIO ECONOMIC ALLIANCE ACTIVITIES

The activities below are not fully aligned with the CNSRP but are activities which provide useful links and added value.

Dounreay Socio Economic Plan 2016-2018

The Dounreay Socio Economic Alliance has now published their plan for this year.



Each year the Dounreay site received £500,000 from the NDA to support socio economic activities. This year, NDA has agreed that Dounreay can carry over an unspent portion (up to a maximum of £150,000) from one contract year to next, or allow an overspend (up to a maximum of £150,000) which would be deducted from the following financial year. This allows greater flexibility in allocating funding for high priority projects within the CNSRP if required and Dounreay are grateful to the NDA for agreeing this.

Dounreay Socio Economic Review 2015/16

The Dounreay Socio Economic Alliance has also published a review of the activities from 2015/16.

NDA Direct Funding

Anna MacConnell, NDA is working with the following relating to direct funding from the NDA:

- Wick Harbour Authority
- Scrabster Harbour Trust

Further enquires have been received by NDA to consider for funding but at this stage the discussions are in too early a stage to provide further detail.

In addition, there is ongoing discussion with North Highland College regarding the possibility of developing a safety case authoring training programme/course that could be accredited and marketed via the national nuclear skills network.

North Highland Regeneration Fund (NHRF) and Caithness and North Sutherland Fund (CNSF) are currently being reviewed by an internal audit team of the NDA. This is part of NDA's ongoing governance processes.

Dounreay Direct Funding

Dounreay has a number of committed funding allocations over a three year rolling programme which include:

- Part funding, along with HIE, the CNSRP Programme Manager
- Partner contribution to the CNSRP Annual Review
- Partner contribution to the socio economic baseline study
- Partner contribution to the Caithness Transport Forum

As mentioned earlier, CNSRP will be carrying out a review of its programme during the year and the funding contribution from Dounreay will be included in this review.

- Funding to support HIAL with an extended car park has been committed. This is being done in partnership with NDA and will have added benefits as a potential overflow car park for the NDA Archives.
- Funding also was committed this year to CNSRP to allow labour market intelligence work to be carried out on business services and discussions are ongoing with CNSRP relating to this.
- Funding was also provided to North Highland College to support the Scottish Craft Competition which was held in June. Funding was provided to allow NHC to purchase new tooling equipment for the competition and ensures a legacy of tooling for the existing ETEC apprentices to utilise further.
- At present there is around £100,000 uncommitted funding within the Dounreay budget and discussions are ongoing with CNSRP to explore projects on the high level programme which may benefit from funding.

Skills

The CNSRP programme places a lot of emphasis on skills with three discrete workstreams sitting on the programme, these being:

- Skills 1: North Highland College development
- Skills 2: Talent attraction
- Skills 3: Developing the Young Workforce

Supporting the skills programme is important to Dounreay and a number of additional activities are undertaken to support the skills agenda, including:

STEM co-ordinator: Pat Kieran, supported by Dounreay funding, is seconded to UHI one day per week to co-ordinate STEM activity within Caithness and North Sutherland. This secondment has recently been extended to end March 2017. Pat is involved in a number of activities in this area including:

- Provision of information and support to Morrisons at the NDA Archive build for STEM activity.
- P7/S1 solar system project: Exploration of solar system by S1 Thurso High School pupils and P7 pupils from primary feeders.
- Collaboration between HC Library Services and STEM Ambassador programme

Ready Steady Work: Dounreay, in partnership with North Highland College, has once again organised the Ready Steady Work programme designed to support students become 'work ready'. This event takes place on 11th-13th July with CNSRP Programme Manager, Eann Sinclair providing a presentation on job projects prior to industry visits. Dounreay's Support

Director, Craig Brown will open the event with Anne Bremner, North Highland College's Director of Learning and Teaching presenting certificates at the end of the course.

Developing the Young Workforce: This programme is part-funded by the NDA alongside Scottish Government. The Caithness Chamber of Commerce leads this project. Head of Dounreay's Human Resource, Graham Cameron sits on the project steering board and a number of inputs have been provided by Dounreay, including looking at the integration of a number of events which are held over the year. The NDA has helped the project team develop a communications plan for the programme using the NDA's communications planning template.

In addition to this Dounreay continues to support educational visits to the site. North Highland College's electrical apprentices visited site on 19th May and were given a presentation on the challenges of the Dounreay decommissioning programme and a site familiarisation tour.

Heritage

- **Caithness Horizons**

Dounreay continues to provide funding support to Caithness Horizons (£90,000). Support to and discussion on their future business plan has commenced.

- **Other heritage activities**

- The PFR granite sculpture located in the PFR admin building foyer, was dismantled, packaged and transported to the new nuclear archive in Wick. It is due to be erected just outside the archive's main entrance around the autumn.
- Photographic images and information about Dounreay were given to the National Museum of Scotland for inclusion in their forthcoming new Energise gallery, which will feature many objects from Dounreay. The gallery is due to open on 8 July 2016.
- A chain barrier was erected around the Dounreay Castle using moveable concrete pads and wooden posts. The barrier has warning signs about the castle's unstable condition and restricted access. Historic Environment Scotland endorsed the work.
- Two heritage objects were collected in the period – An airbrush pen and a water bottle that was given to staff who participated in the 2016 work out at work day.
- One leaver completed a Dounreay Memories form.
- A Dounreay worker with nearly 50 years' experience in the nuclear industry was interviewed for the oral history project during their last week at work.



- The PhD student continues with the heritage project looking at the social aspects of the nuclear industry in the Far North. A public lecture to update on this project is being organised and will be held end Oct/early November.

Dounreay People Plan

The Dounreay People Plan for 2016 has just gone through internal review and further information will be available for the next sub group meeting.

Dounreay continues to invest in skills by providing employment opportunities for young people through the graduate and apprentice schemes. This year are employing 10 apprentices and 10 Graduates.



Proposals are also being developed to look at the potential to recruit decommissioning apprentices and graduate apprentices. This will be dependent on a sound business case for these and is being worked through at present.

At present, work is under way to refurbish the Dounreay.com offices in Thurso to allow staff from Dounreay's Training and Human Resource Department to relocate into Thurso. The public information office will also get a refresh at the same time and it is expected that the building will be ready for occupancy around the autumn.

Local Benefit in Procurement

A guidance paper on local benefits in Procurement was adopted by the Dounreay Commercial Team in April 2016. This is now embedded within their Procurement Strategy and those responsible for contracts on the site have embraced this. It also has the full support of the Dounreay Executive team.

While considering the strategy for various contracts the Commercial team now work with the Socio Economic Manager, June Love to identify areas where local benefit can be included.

Local benefits have been taken on board for the following contracts:

- **Framework Agreement for Scaffolding Services**

This framework contract will be put in place for four years and the winning contractors will be encouraged to look at increasing training opportunities for the local workforce. It also has the potential to benefit apprentices. The tendering process which commenced on 24th June took account of the requirements of the guidance note and currently waiting tenders coming back to establish whether this has been taken on board. It is expected that the framework agreements will be in place by October 2016.

- **Landscaping contract**

The landscaping contract was awarded to local company, Donald MacDonald.

- **Shaft and Silo Effluent treatment plant**

This contract had been awarded to AMEC Foster Wheeler before the guidance paper was developed. Work is not due to commence until April 2017. However, the Commercial department went back to the company and asked them to submit a retrospective local benefit plan which they readily accepted and provided a plan which included their commitment to:

- Engage the local supply chain to delivery major aspects of the scope
- Encourage a secondment of DSRL graduates into the project team
- Support the University of the Highlands and Islands with technical presentations
- Support to STEM activities in the area
- Support to local organisations through management mentoring

In addition to this, Gow's of Lybster are their nominated sub-contractor.

- **Catering & Cleaning Services:**

The contract has been awarded to the incumbent contractors (Eurest and OCS) which ensures that the existing local workforce is maintained. Both have identified socio economic benefits including:

- Support to Dounreay Community Fund activities
- Work placements / interns
- Use of local suppliers
- Support to schools and charitable events – healthy meals education / sports day activities

- **Unirradiated Fuels - Glovebox Operations**

18 additional operatives have been added to this framework contract to increase the shift working patterns. This now takes the total of operatives to 36 people who have been recruited through the Framework Agreement for Decommissioning Support Services to support this requirement.

The operatives are being given the opportunity to undertake vocational qualifications which will help, not only in the business requirement for Dounreay, but to also enhance their CV's for future employment. The VQs being undertaken are transferrable skills to other industries.

- **Deconstruction & Removal of D1251 Buildings**

Contract awarded to JGC Engineering.

- **Guardforce contract**

Profile Security Services Limited (PSSL) has worked with Dounreay and Wick Job Centre Plus to identify ways of providing work experience to young people in the local community. The scheme is aimed at providing work experience (18-25 years old) and in doing so give them the opportunity to achieve a formal qualification in security guarding (SIA License) and valuable experience in working in a high profile industrial site. So far four local people have benefited from this scheme.

- **Future Use of the Framework Agreement for Mechanical Services (Minor)**

This framework contract is currently being worked on and companies tendering for this work will be asked to submit a Socio Economic Plan as part of their Tender Submission. Further details will follow once the framework contracts have been awarded.

- **Other activities:**

Dounreay held their local supply chain event in February which was well attended. The local benefits in procurement was highlighted within the three presentations provided to those companies who attended.

The Nu-technology exhibition was again hosted at the Dounreay site on 26th May with attendance increased from last year.



Dounreay was also represented at the 2016 ‘Meet the Buyer’ event in Dunblane on 22 June. The one day event is part of the Nuclear Supply Chain Project, aimed at encouraging Scottish companies to move into the nuclear business. Dounreay had a stand which was manned all day and provided companies with information on forthcoming contracts and also the nuclear director (detailing local company capability) which was developed by the Chamber of Commerce. Commercial Manager, Robert MacDonald provided a presentation to all those attending and then carried out 17 individual 1:1 meetings. Follow up queries and responses have also been undertaken.

Other activities

- Anna MacConnell, NDA facilitated a discussion with a number of stakeholders including DSG representatives, North Highland College and Chamber of Commerce with the NDA Head of Skills. Since then some progress has been made on the proposal to develop a safety case authoring programme and potential for NHC becoming a “spoke” of the National College for Nuclear has been taken up by NDA’s Beccy Pleasant.
- The NDA held a socio economic workshop on 30th June where all those involved in socio economics across the NDA estate met to outline the activities undertaken by each site. This was the first of future meetings to discuss and agree on a way to measure the impacts of interventions provided by our collective socio economic contribution.
- Dounreay continues to administer, on behalf of the Dounreay Stakeholder Group, the Dounreay Communities Fund.

June Love

Dounreay Socio Economic Alliance

5th July 2016