

DSG(2016)P024

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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.

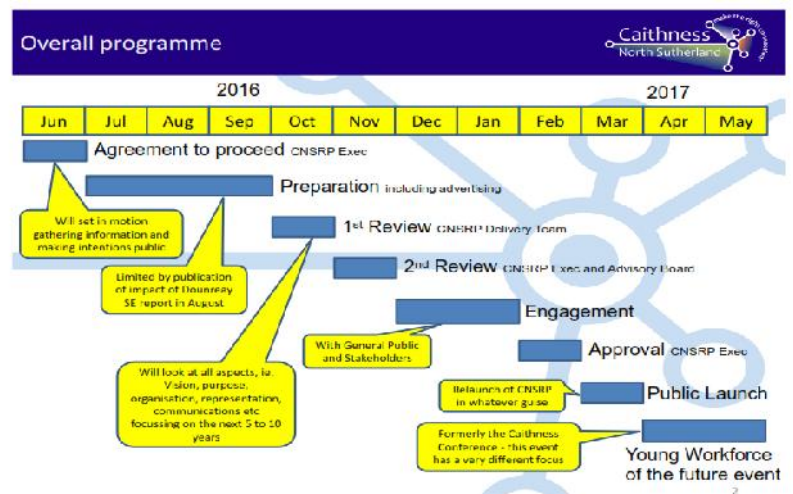
The Dounreay Socio Economic Alliance is a partnership between NDA, Cavendish Dounreay Partnership and Dounreay Site Restoration Ltd.

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Support to CNSRP Programme Manager continues to be provided by Simon Middlemas on a number of areas including the CNSRP high level programme and CNSRP job projections presentation.

Support was also provided to the CNSRP review to revise the high level programme. The CNSRP Delivery Team met in November to review the CNSRP projects and key enabling activities. This programme is on schedule.



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

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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.

There is little change to the previous report. The output from the latest decommissioning programme and integration with the People Plan is required before the impact on this schedule can be assessed. Following receipt of the new programme a desktop exercise will be conducted. At the appropriate time early discussions will begin with key stakeholders (primarily DSRL and PBO Boards, NDA and regulators to gain support).

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The construction of Nucleus (NDA and Caithness Archives) has progressed well and is expected to be complete within the next month. Following construction the building will be handed over to Restore plc and this will initially include a period of installation, testing and training. Socio economic work carried out in accordance with the build contract is commendable. A report on this will be provided at the meeting.

An early inspection has provided a positive response to Nucleus working towards deposit status. Restore expected to take occupancy of the building in November.

The Caithness Archives are due to migrate to the Archive first, followed by Dounreay records. By end March 2017 records will have begun to migrate to the Archive. Doors will be opened to the public potentially early in the New Year. An official opening will be held later in 2017.

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The Chamber continues to manage this project on behalf of NDA and Dounreay.

Since the project began in 2014:

- 81 individuals through initial advice
- 36 now trading
- 70.5 jobs created (some are part-time, have been counted as 0.5 jobs created)
- 55 given further support with business development (e.g. business planning advice, networking, social media, etc.)
- Total attendance at networking events: 65



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Dounreay Socio Economic Alliance staff are 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 activities. While a lot of effort is being given to the vertical satellite launch project, relationships with 18 other companies continue to be maintained. Six proposition documents were developed over the last six months.

Two new companies have made enquiries over the last three months – one for Caithness and one for Lairg. One enquiry for potential investment in Thurso has been closed during this period and will not be taken forward at this stage.

- **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. The BOWL Operations and Maintenance base is progressing through planning permission and also the required

Harbour Revision Order which is being progressed with Transport Scotland.

- **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. Further correspondence has been received from Sportscotland who have suggested that the CSH take a phased approach to the project. They have stated that how the facility is phased will depend on a variety of considerations (capital costs, funding available, operational requirements) and Sportscotland's advice is to split the project into two (or possibly three) phases with the Athletics Track and changing accommodation forming the first phase (without prejudice on funding considerations), followed by the indoor hall element forming the second phase. The CSH committee met on Wednesday 2 November to discuss how they wish to progress.

- **North Highland College, UHI**

Marie Mackay, Dounreay, is seconded to North Highland College two days per week to support the school link. This secondment continues until March 2017. Working with schools, the applications to attend North Highland College totaled 609 with 440 students accepted on courses.

Lessons learnt from this secondment are now being considered with planning for 2017 onwards taking place. In addition, all educational events have been evaluated and combined where it is useful to do so. One such proposal is the combination of three very similar events into one. This has been agreed with North Highland College and the local high schools and is actively engaging with the Developing the Young Workforce as this event fits their agenda.

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

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The Dounreay Socio Economic Alliance plan was published in April 2016. Work has commenced on an update at the end of March 2017. Input from the CNSRP review is required to consider the content of the new plan going forward.

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Each year the Dounreay site receives £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 is grateful to the NDA for agreeing this. The spend against budget (as at end of October 2016) is shown overpage:

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Staff costs	50,000	18,148.53	32,118	Extrapolated
HIE Secondment	33,000	23,290.40	39,792	Extrapolated
NHC Secondment	18,000	10,373.20	18,000	Extrapolated
CNSRP Programme Manager	33,000	18,591.03	32,549	Extrapolated
CNSRP Annual Report	4,000	350.35	4,000	one off payment: November
CNSRP baseline report	10,000	0	10,000	one off payment: end Nov/beg Dec
DSRL Direct Funding	199,000	6,000	46,000	
Scottish Craft comp	[6,000]	[6,000]	[6,000]	Complete
HIAL infrastructure	[25,000]		[25,000]	Expected to be paid in December
LMI study (HIE)	[50,000]			Not expected to happen this fy. Discussions on potential change of use.
Business mentoring project	[15,000]		[15,000]	payment expected Jan/Feb 2017
Caithness Horizons	90,000	89,999.59	89,999.59	complete
Caithness Transport Forum	1,500	0	1,500	one off payment: Jan/Feb 2017
Chamber - membership	15,000	5,000.35	10,000	NDA membership paid / DSRL membership (Dec 2016)
UHI STEM Co-ord secondment	15,000	8,682.85	13,000	Extrapolated
STEM Ambassador support	10,000	2,948.19	9,000	costs expected to rise in March (Science fair)
Ready Steady Work	1,500	1,254.24	1,254	complete
Dounreay Community Fund	20,000	15,747	20,000	Q4 payments
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Anna MacConnell, NDA, is working with the following relating to direct funding from the NDA:

- Wick Harbour Authority – awaiting business plan which includes requirement for storm gate
- Scrabster Harbour Trust – support to Ice Plant to match fund EU grant, possible additional support to be granted
- HIAL car park – due diligence work completed and the project has been approved and work commenced

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) have been reviewed by an internal audit team of the NDA. This is part of NDA's ongoing governance processes.

Caithness & North Sutherland Fund AGM reported awards totaling £332,727 made over the year to projects across the Dounreay travel to work area. There was a 13% increase in applications made to the fund.

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Dounreay has a number of CNSRP funding commitments over a three year rolling programme and essentially come to an end at the end of March 2017. Consideration of continuing commitment will be undertaken in parallel with the CNSRP review.

- 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

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- Funding to support HIAL with an extended car park has been committed. This is being carried out in partnership with NDA and will have added benefits as a potential overflow car park for the NDA Archives. The funding is expected to be released by December 2016.
- Funding was also committed this year to CNSRP to allow labour market intelligence work to be carried out for business services. Following discussions it has been agreed to defer this work due to present workloads and early discussions are in place for a potential change of use for this funding.
- Dounreay funding was provided to support the third version of a socio economic baseline report. This report informs CNSRP on whether their interventions have helped support the diversification of the economy for the area. Ekos, who were contracted to develop the report, has provided a draft and comments have been returned. Initial findings are that the report recognised the importance of support provided by CNSRP partners to reduce the dependency on Dounreay. The final report will also provide a number of recommendations for CNSRP to consider when reviewing its activities. The final report should be available by the end of the calendar year.
- Various discussions on potential funding requests for this financial year are underway but these are at an early stage.

#### 3CAD

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 the end of March 2017 and will not be renewed following that date.

Work is underway to handover the STEM co-ordinator role to a DSRL staff member who will continue this work. The UHI contract for STEM is also due to cease at end of March 2017 and contract renewal may mean a change of organisation to take the wider STEM project forward.

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
- (F?Æ ==|Æ? ,F<LJKP' 9P# Final planning is underway for this event which will be held on 23 November. This event is to prepare senior pupils for apprenticeship applications and work is ongoing with other employers in the area who will be recruiting apprentices in 2017.
- ' =MCH? K@= 8GLF? 7 GICGI; =: This programme is part-funded by the NDA alongside Scottish Government and is led by the Caithness Chamber of Commerce. Head of Dounreay's Human Resources department, Graham Cameron, sits on the project steering board. It has been recently agreed that the Dounreay 'Ready, Steady, Work' programme will be integrated into the working of the DYW programme and DSRL will provide support to this.
- 3 GKAI@&I 9X&GE H=KKG# Funding support was provided to North Highland College who hosted the Scottish Engineering Craft competition this year. The competition is an annual event which brings together the best first year mechanical and electrical engineering apprentices across Scotland. Fourteen apprentices took part and completed a series of on-the-day practical and written tests. Dounreay's electrical apprentice, Michael Mowat, won gold at this prestigious event.
- 6AJKJ KG JAK=# Dounreay is exploring the possibility of enhancing school visits to the site with the emphasis on taking them into working plants to show them the physical side of



what the decommissioning work entails. Discussions are at an early stage and will be taken forward into the new year.

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- Dounreay continues to provide funding support to Caithness Horizons (£90,000). The final payment for this financial year was made at the end of October 2016. This now leaves two further payments (£45K per payment) left from our existing commitment. A presentation by Caithness Horizons was provided to the Dounreay Socio Economic Board in early November to outline their business plan beyond 2018. Caithness Horizons has requested further support and discussions are required with the Highland Council who also provide financial support to understand their commitment beyond 2018. Discussions are continuing.
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  - The PFR granite sculpture located in the PFR admin building foyer, was dismantled, packaged and transported to the new nuclear archive in Wick. It has been erected just outside the archive's main entrance.
  - 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 at the end of October/early November.

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The Dounreay People Plan for 2017 is currently being developed and will be aligned to the skills needs for the new decommissioning programme. The plan will describe the current skills, those needed for future decommissioning work, succession planning and also the links with the ongoing work to support the North Highland College in developing courses that will be required for the programme.





This year marked the 61<sup>st</sup> consecutive year for the recruitment of apprentices with ten local newcomers taken on this year. The four-year apprenticeship scheme allows them to gain on the job experience and training, whilst studying part-time through the University of the Highlands and Islands in Thurso, to gain higher national certificates and diplomas. This year, there are two mechanical apprentices, three instrument apprentices, two electrical apprentices and two design apprentices.

Ten new graduates were recently recruited as the site's graduate development programme entered its second year. Applications to the scheme soared after the success of last year's first ever graduate intake, with more than 200 applications received.

Aligned to supporting the skills agenda, Dounreay is considering a number of CNSRP bespoke projects which the graduates could support. This would be part of their personal development programme and would assist the CNSRP by working up proposals in taking a number of activities forward. Discussions are underway on the projects being considered.

The refurbishment of the Dounreay.com offices in Thurso is nearing completion and it is expected that staff from Dounreay's Training and Human Resource Department will relocate around the end of the calendar year. The public information office will also be refreshed and while its' primary focus is on the progress of decommissioning it will also feature CNSRP information.

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The focus on the site programme has led to a 15% reduction in the number of contractors supporting the delivery of the decommissioning operatives framework agreement. The framework covers work in the Fuel Cycle Area, Reactors and Waste and is held by three companies. The reduction of operatives was shared proportionately between these companies. While the supply chain continues to have an important role in supporting the site's decommissioning programme, the need to review the resource requirements will continue until the decommissioning work is complete.

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The following tenders have been issued with the inclusion of socio economic benefits:

- ) 19E =NGIC\$?I ==E =FK>GI 3; 9>>GD&F? 3=IM =J# The Framework Agreement takes account of the requirements of the socio economic guidance note and these submissions will be assessed. Four tender submissions were received in October and the tender evaluation process included a 10% weighting under the Technical criteria for socio economic assessment. Award date for the framework agreements is expected



week commencing 14 November.

- Discussions are ongoing with Compass/Eurest (Catering) in relation to reporting local community benefit. Local plans are due to be delivered by the end of the calendar year.
- The framework agreement took into account the requirements of the socio economic guidance note and these submissions have been assessed with a 10% weighting under the Technical criteria for socio economic assessment.
- An advertisement was placed in the Official Journal of the European Union (OJEU) for these services and the tender documents incorporate the requirements of the socio economic guidance note. These submissions have been assessed.
- The tender documents have been issued to six tenderers and the tender documents incorporate the requirements of the socio economic guidance note. Assessment of the local benefit plans will be assessed as part of the contract assessment.
- The procurement activity has been approved and will result in the award of a subcontract for the manufacture and offsite testing of a water vapour nitrogen (WVN) system for PFR Reactor Vessel (RV) treatment. Tenderers will be required to provide a community benefit method statement detailing any social, economic and environmental benefits associated with contract performance.
- Approval has been obtained to commence this procurement activity. Tenderers will be invited to submit a community benefit method statement.

In addition to the contract activity, work is underway to develop an 'example' local community benefit plan; essentially a document which outlines a number of activities which companies could consider when developing their responses to tenders. This document will not be mandatory but is to outline potential activities that tenderers can consider in relation to the size and type of contract.

The Head of Commercial

has now established a regular meeting with the Chamber of Commerce. In addition, a mini supplier event with the Dounreay Commercial team has been organised by the Chamber and will take place on 9 November.

AECOM, one of the parent bodies at Dounreay, has (through the Chamber) organised a local supplier's event on 8 November.

In addition, various members of the Commercial team attended the NDA Supplier's event in Manchester (3 November) and the Nuclear Supply Chain Project, Meet the Buyer event in Dunblane (17 November).

June Love

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3 November 2016