

## **DOUNREAY STAKEHOLDER GROUP**

### **Note of Site Restoration / Socio economic sub groups**

All paperwork (for both sub group meetings due to take place on 15 July 2020) was issued to DSG members on 15<sup>th</sup> July 2020 by email. Due to the restrictions of Covid-19 it was not possible to hold these meetings and therefore it was agreed that the paperwork would be issued as normal with DSG members providing comment on all documentation by 31<sup>st</sup> July 2020. All comments or questions are compiled into this report which now forms the minutes of the sub group meetings.

### **PAPERWORK PROVIDED AND RESPONSES RECEIVED**

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The protocol for DSG working virtually is detailed in **DSG(2020)C027**.

### **NOTES OF SUB GROUPS AND PUBLIC MEETINGS**

- **DSG(2020)M002:** DSG public update on 24<sup>th</sup> June 2020.
- **DSG/SESG(2020)M002 / DSG/SRSG(2020)M002:** Sub group reporting on 24<sup>th</sup> April 2020. These notes were endorsed by correspondence.
- **DSG/BM(2020)M003: Mtg held 18<sup>th</sup> June 2020**
- **DSG/BM(2020)M004: Mtg held 7<sup>th</sup> July 2020**
- **DSG/BM(2020)M005: Mtg held 18<sup>th</sup> August 2020**
- **DSG/BM(2020)M006: Mtg held 1 September 2020**  
These minutes were endorsed by correspondence.

### **NDA update**

On Friday 10 July, NDA announced that both DSRL and LLWR will become wholly owned subsidiaries of the NDA next year, after ownership transfers from the Parent Body Organisations (PBO).

DSRL ownership will transfer to the NDA from the Cavendish Dounreay Partnership (CDP, a consortium of Cavendish Nuclear, Jacobs and Amentum, in March 2021. LLWR ownership will transfer from UK Nuclear Waste Management Ltd (UKNWM), a consortium of Amentum, Studsvik and Orano in July 2021. Prior to ownership transfers, DSRL and LLWR remain under existing management arrangements.

This resulted in a number of questions being raised. The questions were prioritised and a Q&A provided by video between Gareth Taylor, NDA Head of Programme and Cllr Struan Mackie (DSG Chair).

### **DSG questions NDA site contract**

[A number of questions from members were received. A Q&A video session was held with Gareth Taylor, NDA Head of Programme and will be published on the DSG website.](#)

- How will the NDA and PBO ensure safety is not affected by this announcement and the impending changes up to end of March. Have lessons been learned from 2012 when worker morale dipped and safety deteriorated as the site prepared for transition to the PBO contract? This is going to be really important as site tries to return to site operations with Covid-19 restrictions and now the distractions of a transition?

**Response:** NDA, PBO and the SLC are very aware that, during the transition period, safety and security must continue to be a priority. It is key we never lose the focus on the safe and secure continuation of our decommissioning programme. A close working relationship between the NDA 's SFT and the SLC and PBO continues with daily engagement with the site's Managing Director and the senior site leadership team. Additional resources within the SFT means personal contacts have been established between NDA and the SLC/PBO liaising on daily basis.

- Will Dounreay be a stand-alone SLC and not subsumed in with other sites, i.e. a Magnox North model?

**Response:** There are no current plans to subsume Dounreay into other part of the group. Equally, Dounreay has a key role to play as part of the wider NDA Group and Estate and must not become isolated from that wider decommissioning activity. Any future changes around the One NDA Group will be made in full consultation with its staff and will always be made on the basis of how we can be more effective in delivering our decommissioning mission and offer greater value to the UK taxpayer.

- Does the NDA have delegated powers to decide on the annual funding for Dounreay or does it have to specifically get approval from the UK Government for each of its individual sites?

**Response:** The NDA has delegated authority to decide on funding for Dounreay.

- With home working in place due to Covid, what will NDA do to look at potentially centralising roles outside the Corporate Centre of Cumbria will the NDA look at this to explore what could be provided from Caithness. While funding is good the aim of the CNSRP, of which NDA is a partner, is to maintain or increase the GDP. If you centralise roles and people move for work you are at odds with the aims of CNSRP?

**Response:** The whole ethos of One NDA is based around our people unified around our mission – working together more effectively and efficiently. Working with our staff, listening to ideas and understanding how we can do this better is a key part of this process. As part of this, we also need to consider how the local Dounreay community might also benefit from any changes we may want to consider going forward. We are also currently supporting the creation of a more robust CNSRP and will continue to play our role as a key partner. COVID has also shown us that we can all contribute from a distance and there is little doubt that this will influence our thinking as we 're-imagine' the future.

- The supply chain and pipeline of work coming from site – at best things have been slow over the years and now exacerbated by Covid. Promised payments to the supply chain during Covid have been slow in coming out, which is causing much angst and anger. It is imperative that a good stream of work starts to flow so that the supply chain, as they look to take staff off furlough/back to work, are able to plan and manage cashflows. If the area were to lose companies or their staff due to any hiatus, this would seriously damage the NDA's socio-economic objectives and its ability to maintain the decommissioning programme.

**Response:** There will be no "hiatus" in terms of decommissioning work at Dounreay. Our work continuous with our decommissioning programme, and we have already agreed a 12 Performance Plan which takes us through the transition period. We are now working hard to agree a Lifetime Plan for the site, and we are fully committed to ensuring our supply chain is a key part of our decommissioning plans going forward.

- NDA's latest strategy for socio economic is welcomed and good to see focus on sites. However, the Parent Body organisation has made some very bold statements of intent, i.e. the setting up of a nuclear support hub. Can NDA commit to taking these projects forward when there is no longer a PBO?

**Response:** It's important that the PBO are allowed to make comment on any statements they made at the time. The NDA will continue to support the many projects identified to bring

sustainable jobs to the area such as the Space Port, new developments at both Scrabster and Wick Harbours, and of course consideration of a whole range of other initiatives including the Nuclear Support or Engineering Hub.

- The press is saying there will be no redundancies in the short term, but do you envisage a VER scheme?

**Response:** It's will be important that we have the right skills required at the right time in order to meet the challenges of our Dounreay decommissioning programme over the coming years. Equally, there will be no redundancies as a result of the transition. We know that implications on jobs of our decommissioning mission over future years are currently being discussed in close consultation between DSRL and Trades Unions and staff. That will continue.

- Can NDA clarify the future of the Dounreay apprentice and graduate scheme and whether it is the intention that the next round of applications will see the NDA programme in place?

**Response:** There will be no change to the future of our apprentice and graduate scheme as a result of these changes. There will also be opportunities created on a group wide basis such as Cyber security and project management etc. We will be doing more to promote and attract to the NDA's Nuclear Graduate Programme – a sector wide graduate programme and we are keen to share our approaches in other areas to community apprentice schemes and in supporting wider skills and education. We are developing our approach to careers education and specifically about exciting the next generation in nuclear – we will be working on a national programme to develop a digital suite of resources which will be available and accessible to schools, colleges, parents and influencers. Dounreay will have a part to play in all of this type of activity.

- DSG have previously been given assurances that the decommissioning programme would not be affected by any change of ownership. How will NDA ensure that there will be no loss of momentum due to the changeover?

**Response:** NDA has worked hard with the SLC and PBO to agree a 12-month Performance Plan to ensure we have a clear path set for our decommissioning programme, and, as mentioned earlier, we are now working on the development of the Lifetime Plan. All partners involved are committed to ensuring there will be no loss of momentum to this programme.

- Will NDA/PBO take time to ensure there is a full strategic review of what DSRL needs and will this likely involve a restructure. If so the workforce and key stakeholders should be engaged – have you got plans to do this?

**Response:** We are constantly reviewing with the partners what their needs are to carry out and effective and efficient decommissioning programme – this will continue to be a part of our daily operational activity and reporting. There are no plans to restructure during the transition period and currently no plans to re-structure after the transfer. However, we accept that a new management team will take a view once in place, and the SLC will continually update staff and TUs on developments and changes that may be linked to the decommissioning programme. All partners are keen to ensure we continue to work closely with our stakeholders in updating on changes and gaining an insight into views on our activities.

- When the executive jobs are advertised are these Dounreay Site Restoration Ltd vacancies or NDA vacancies?

**Response:** These are PBO vacancies and include 11 posts linked to the current Executive Team roles. The successful candidates will be recruited onto Dounreay terms and conditions. This has been an open process and applications will have personal information such as name, age, gender etc redacted in order to ensure a fair and transparent process.

- Why is there a need for an external recruitment campaign?

**Response:** As a public body we must ensure an open, fair and completely transparent recruitment process. We want the best people for the jobs on offer.

- Will the current PBO executive team be allowed to apply for the vacancies if they choose to?

**Response:** Yes.

- What happens to the NDA Site Facing Teams once transition takes place – is there a potential for duplication of work?

**Response:** No. There is a clear differentiation between roles of the SFT and the SLC. NDA SFT roles exist to manage the SLC contract and the SLC roles are operational – delivering the programme through operational activities. A key role for the SFT is to ensure the taxpayer is getting full value for money, but also to support DSRL in any way it can to ensure the effective, safe and secure decommissioning programme. The SFT will also be key in sharing information and best practice from One NDA Group activities – with circa 20,000 people in the One NDA family, we have a huge pool of talent and skills available that we can draw from.

- When the Parent Body model was introduced it was because having commercial organisations delivering meant a saving to the taxpayers. Obviously, this is not the case and NDA are now claiming that taking the site back-in house will save taxpayers money. So, the commercial model was flawed from the beginning or the PBO has not delivered. What savings do you expect to achieve now?

**Response:** The current PBO has supported the achievement of some major decommissioning milestones at Dounreay – most notably the transfer of spent fuel to Sellafield last year. These changes come as part of changes across our UK wide estate and, whilst creating a PBO model was appropriate at the time, the NDA needs to be adaptive to change and learn from the emerging challenges that face us. Today, we need to harness the opportunities that come from the scale and breadth of a One NDA Group – breaking down boundaries, thinking collaboratively and not being constrained by restrictive contracts. We have made these changes already at other sites and we are already seeing the benefits.

- The PBO model was supposed to bring innovative thinking to decommissioning, leading to increased efficiency and reduced timescale. How are NDA going to ensure this, eg via smart procurement?

**Response:** Innovative thinking will be enhanced by these changes. We have brought together a 20,000 strong workforce – one of the most advanced nuclear workforces in the world. This capitalises on a wealth of experience and talent around the group. We are also currently in discussion with UHI about developing a much closer relationship between the site and academia to solve some of our R&D challenges.

- What are you going to do to ensure the DSRL workforce and wider community are provided with updates as this moves forward? We would like to re-enforce the site will need some stability following the transition in March – therefore what is the NDA and site doing at this time to get an agreed lifetime plan in place so that the workforce and community understands what the programme is going forward. DSG have been waiting to see the site's decommissioning plan for several years. Can we now assume that with One NDA that this will be expedited?

**Response:** We have created a number of work streams associated with the transition process – one of which is Communications and Engagement. We expect to fully involve our stakeholders in the development of this plan, and highlight the communications and engagement required around each of the milestones associated with the transition over the coming months. As

already mentioned, we have agreed a 12-month Performance Plan and are in the process of developing a further 3 year-plan which moves us further towards completion of a lifetime Plan.

- What mechanisms are in place to ensure that the PBO companies do not issue lots of contracts to their companies during the transition period?

**Response:** There are already stringent arrangements in place to provide oversight when contracts are awarded to companies including those who are part of the PBO. This will remain in place throughout the transition phase.

- The PBO companies promised jobs to the DSRL workforce as decommissioning progresses – what happens now? Does the NDA step in and what does this mean – local people given the opportunity to work elsewhere in the NDA estate, resulting in people moving away and lost skills? We would rather see the NDA looking at the work mobility model rather than worker mobility.

**Response:** [NB: this question was passed to PBO for response]. We see great talent within the Dounreay organisation. We will still honour our commitment during the adjusted contract period. The Dounreay executive team is committed to maximising the opportunity for Dounreay staff to transfer into the wider UK nuclear sector including the parent companies of the Cavendish Dounreay Partnership. In addition, we are playing an active role in the current work of the Dounreay Socio-Economic Alliance which is looking at future options, including the feasibility of a local DSRL hub that maximises the opportunities of work mobility within the NDA Group.

- Given this announcement there could be other detrimental impacts on some of our socio-economic partners – ie the Chamber of Commerce which has a number of high-level premier partner memberships – all three Parent companies have taken out memberships. This could mean potentially losing around £20k per year income for the Chamber at a time when it is important for the Chamber to continue to do the good work it is doing.

**Response:** NDA is aware these changes will have some impact on our socio-economic partners. As a result, we will be discussing these impacts directly with our partners and we are confident we can find a way forward that is mutually beneficial for all concerned.

### **Other NDA updates**

The NDA has published its Annual Report and Accounts, 2019-2020:

<https://www.gov.uk/government/publications/nuclear-decommissioning-authority-annual-report-and-accounts-2019-to-2020>. There has been significant progress in delivering our mission of decommissioning, hazard reduction and clean-up and we have ensured that spending remains below the annual limit set by the UK Government. All Magnox sites have been declared fuel free, after the Office for Nuclear Regulation (ONR) gave its official 'fuel-free verification' to Wylfa in October 2019. This marked the end of defueling operations at the UK's 26 Magnox reactors. All 11 tonnes of separated plutonium have now been safely transported from Dounreay to Sellafield, the UK's centre of excellence for managing plutonium, for storage.

The first concrete was poured on a £1bn custom-built facility at Sellafield to repackage the plutonium materials for safe and secure long-term storage.

During the year, the NDA has also taken a series of important steps to strengthen and simplify the way that the NDA Group is organised.

We have increased the number of subsidiaries by completing the transition of Magnox Ltd from a Parent Body Organisation (PBO) contract to an NDA subsidiary. We have improved the capability of the NDA Corporate Centre and made significant improvements in the areas of equality, diversity and inclusion.

Safety is, and always will be, our number one priority. Our focus is to reduce the highest

hazards and risks, while ensuring safe, secure and environmentally responsible operations at our sites.

- In the previous DSG report, a question was raised and responded to: *Have the costs of rebuilding the Interim Higher Activity Waste (HAW) Stores every 100 years been included in the overall decommissioning costs? As these costs arise from Scottish Government HAW Policy will the UK Government and NDA fund these costs or will they be passed to Scottish Government?"*

**Response:** The cost of rebuilding the IHAW stores is not included in the decommissioning costs as the existing contract with the PBO concludes once Interim End State is reached around 2032. After this, the IHAW stores will still require monitoring and maintenance and this will be the responsibility of the NDA who will retain liability for the waste during that period.

- This response does not answer my straightforward question. Where is NDA going to get the money from after the Interim End State is achieved? If the rebuilding costs are not included in the full decommissioning costs, not just the PBO contract, then the decommissioning cost of Dounreay is underestimated.

**Response:** NDA's funding will come from the UK Government. The Energy Act, which created NDA, gave us the financial responsibility for cleaning up the sites allocated to us and therefore, NDA is responsible for meeting the costs and our funding comes from the UK government rather than the Scottish Government. Our budget, which comprises government funding and income from our commercial assets, is granted to us annually by the Government

- DSG was pleased to see that The Highland Council approved the planning application for the Satellite launch facility in Sutherland. We understand that NDA has been considering socio economic funding in support of this project. Can you confirm when a decision on this will be made?

**Response:** We remain supportive of this project and look forward to hearing the result of the Scottish Land Court application going forward. Discussions with HIE continue.

### **Dounreay update (DSG(2020)P022)**

- Another good detailed report, contains plenty of detail to stakeholders.
- With the recent NDA announcement regarding the contractual arrangements for Dounreay, how can DSRL provide assurances that focus will be on decommissioning delivery whilst maintaining safety. Have lessons been learnt from the time that the PBO contract came into being when safety appeared to be compromised because of the many distractions that transition can bring?

**Response:** Our clear priority is to maintain high levels of safety, security and environmental performance as well as to look after the wellbeing of our workforce. While preparations are ongoing in the background for transition, our aim is to reduce any distraction to the wider team as far as possible. Clearly decommissioning delivery has been impacted by COVID-19, but we are working to a clear plan to resume activities on site and work continues with the NDA to develop and agree a programme for the next 3 years, going beyond the period of transition, setting out clear milestones and hazard reduction targets.

- DSG would like to place on record our thanks to the support you have provided to the local community during Covid-19. The £100k for the Caithness Business Fund was a commendable thing to do and equally pleasing that as soon as it was realised that the applications far outweighed the funding provided, NDA agreed to provide match-funding. This must have come as a relief to a number of local businesses in the area.

**Response:** We have heard from a number of the businesses that were able to make use of the funding and are pleased that it made a positive difference. We are proud to have played a part in

a much wider community response where lots of people and organisations did what they could to help.

- Operations during COVID-19 (Page 1: para 4): Could we have some information on what the 'significant learning opportunities' are?

**Response:** In a number of ways, we are still very much in the middle of a response period and so we are still learning a number of lessons that will be fully developed and considered as part of the 'reimagine' phase. To give just a few examples so far:

- Alongside most other organisations, we have never had to reduce our site resources in the manner and timescale that was safely and compliantly delivered at the start of the pandemic without being in an exercise mode. That process has highlighted a number of successes and things that we can learn from to help shape future business continuity plans.
  - Significant learning has been developed about our ability to work from home, with hundreds of additional laptops built and issued to staff in a relatively short period, new video conferencing equipment put in place and different methods developed to help the team stay connected while physically being apart. One example would be staff briefings, which would usually involve several sessions in a lecture theatre to accommodate the volume of staff, which can now be carried out more frequently live on Microsoft Teams for everyone to join in one go, watch and ask questions.
- How many people have you now got back on site working, in terms of DSRL staff and contractors?

**Response:** Numbers currently vary each day depending on the work being delivered and the requirement for people to be on site. A typical working day will now see more than 450 people on site. We continue to keep the situation under review but have advised staff that we expect working from home to remain the default for those aim to do so effectively until at least January 2021. A review of that decision will be undertaken in time for the October half-term holiday.

- The Interim End State Delivery Team (page 3/ para 3): I believe it would be useful for the DSG to get a presentation on the latest thinking and developments on this project.

**Response:** DSRL will be happy to attend a DSG public meeting to provide a presentation on end states and latest thinking.

- It would be useful if DSRL can continue to provide updates on the intended beach monitoring trial to monitor and detected particles similar to the unusual one discovered.

**Response:** Owing to Covid-19, the previous plans for performing a beach monitoring trial using equipment from Sellafield (Fidler detector equipped system) had to be postponed. DSRL has had discussions with Sellafield as to when it might next be possible and identified that the Easter break 2021 would be the next opportunity to perform that test.

- Particles Update, (page 4/para 5: Would DSRL be able to provide some details of the results of the completed analysis on the unusual particle?

**Response:** The alpha spectrometry results indicated that, after the Am-241 has been accounted for, the remaining alpha emitters are Pu-238 and Pu-239/Pu-240, with Pu-241 also confirmed to be present. Our preliminary estimate (based on half-lives and americium-plutonium balance (parent-daughter decay), is that the plutonium material is approximately 58 years old. That is, it dates from the period 1961 - 1965. Please note that this is not a final conclusion and discussions are ongoing with PRAG(D) and SEPA.

- Dounreay Socio Economic Board - what are the implications for the board following the demise of CDP?

**Response:** The Cavendish Dounreay Partnership remains the parent body organisation for Dounreay until the transition to the NDA takes place next year. Until then, CDP continues to be an active partner in the socio-economic board. Full details for a range of topics post transition are still being developed, but the change in ownership does not impact on NDA or DSRL's commitment to socio-economics for Caithness and North Sutherland moving forward.

- Noting the secondments of the nuclear partners into CNSRP continue to show some real partnership working with employees from one organisation working in parallel with other organisations – will the recent announcement have an impact on secondments?

**Response:** The change of ownership from CDP to NDA will not have any direct impact on decisions relating to the secondments of DSRL staff. Where any secondments are provided by staff employed by CDP, discussions will take place with partners during the transition period to understand the impact and develop a way forward.

- It would be useful to receive an update on the CNSRP Support Hub.

**Response:** We are supportive of CNSRP's plans to develop a support hub and have committed funding to this project this year. We understand that CNSRP is now in the initial stages of recruitment for posts to support its development over the coming months.

- Delighted to see that the Apprentice interviews are still being carried out and commence on 20<sup>th</sup> July.

**Response:** Apprentices play an important role in the business and we are delighted our latest intake has now started work.

- The support that continues to be provided during Covid 19 continues to be excellent for the community.

**Response:** We are pleased to be one part of a much wider community response.

#### **ONR, Dounreay (DSG(2020)P021)**

- It is pleasing to hear that ONR is satisfied that DSRL has managed the transition to, and maintenance of, a quiescent state in a suitably and sufficient safe and secure manner.

**Response:** This comment is noted.

- Does ONR know when The Highland Council are expected to implement their revised off-site arrangements under REPP19?

**Response:** ONR and Highland Council are in regular contact regarding progress in this matter. The current expectation is that Highland Council will be in a position to implement their revised off-site arrangements under REPP19 by the end of November 2020.

- We are aware that site inspectors visited Dounreay mid-July – can you confirm you were content with the arrangements put in place to allow the restart of some work on site?

**Response:** ONR assessed the arrangements in place for the restart of a number of operational activities on site and took the opportunity to observe a sample of tasks being undertaken in support of those activities. I can confirm that, within those areas inspected, ONR is satisfied that there was clear evidence of a systematic approach to the safe restart of operations considering the status of the plant, the competency and currency of the personnel and, the suitability of the operating documentation. Additionally, ONR is satisfied that the governance associated with the restart of operations has been robust and transparent.

- What is/are the "Advanced Transition Works" for the Shaft?

**Response:** The advanced transition works provide a suitable and sufficient containment structure within which the activities necessary to construct the new retrieval and processing



facility and access the shaft and silo can be undertaken.

### **SEPA, Dounreay (DSG(2020)P019)**

- Is SEPA content that DSRL continues to comply with all environmental compliances, within the context of any restrictions due to COVID-19?

**Response:** DSRL have produced and maintained a contingency plan in line with SEPA's Temporary Regulatory Position statement on The Management of Radioactive Substances at Nuclear sites throughout the Covid-19 period. SEPA is content DSRL's contingency plan and arrangements detailed within the plan have been and continue to be in accordance with the position statement.

- Can SEPA give us an indication of how long extensions are being provided to allow completion of the Regulatory Notices as outlined in the report?

**Response:** An extension has been provided for a period of 3 months for actions which had a specified completion date in 2020. At the end of the 3-month extension period SEPA will review its regulatory position and the on-going situation and if circumstances are such that further extension of actions is justified, SEPA will consider undertaking another set of variations to further extend the completion dates.

- In respect of an aqueous discharge via the non-active outfall 2 from a sump collecting groundwater in the vicinity of the D1208 facility. Was there any relevant danger to neighbours from the discharge of radioactive material. Can you confirm that this was discharged into water rather than on land?

**Response:** I can confirm this discharge was via outfall 2 which discharges to sea and not to land & that SEPA believe any impact on the environment to be minimal given the levels of radioactivity identified. SEPA will shortly be concluding its investigation into this incident and will report the outcome to the DSG at a future meeting.

- It would be useful to provide an update on the schedule at the end of July for undertaking remote inspections.

**Response:** SEPA do not produce or work to a defined schedule for undertaking inspections. Inspections are arranged when appropriate in line with site works or regulatory concerns prevailing at the time. A minimum of 5 compliance inspections per year are undertaken. In addition, a large number of ' routine ' interactions with site take place focussing on projects or other areas of site work relevant to compliance with DSRL's environmental obligations throughout the year.

I can confirm that during July SEPA undertook a compliance inspection of DSRL arrangements for compliance with EASR standard conditions covering provision of Radioactive Waste Advisors and the LLWF compliance arrangements for implementation and maintenance of management plans. In addition, a number of remote meetings were held to discuss future site projects and associated environmental compliance arrangements. SEPA also continue to have weekly updates from senior management covering Covid-19 arrangements and any changes which have occurred onsite in the past 7 days or are expected to occur in future.

### **CNC update (DSG(2020)P024)**

- DSG would like to place on record our thanks to T/Supt Andy Peden for his involvement with DSG. We would also like to welcome T/Supt Keith McCarthy, and look forward to meeting with him as soon as restrictions allow meetings to take place again.

**Response:** Thank you for acknowledging my appointment as OUC at the Dounreay site.

- With T/Supt Andy Peden's retirement it is noted that there have been a few changes within CNC over a short period of time. Can T/Supt Keith McCarthy tell us how long his appointment as T/Supt for the Dounreay site will be?

**Response:** I can confirm I took up post from 1st July 2020 for a minimum period of 12 months. I am absolutely delighted with what I have seen to date and the wonderful people I have met. I am really looking forward to meeting all members of the DSG when restrictions allow but please feel free to call me anytime to discuss any matters.

### **CNSRP update (DSG(2020)P027)**

**General Comment:** The area has a unique and significant challenge ahead in the transition to the post Dounreay decommissioning period, currently exacerbated by the Covid pandemic and further complicated by the uncertainties of post BREXIT trading arrangements. The region conversely has significant advantages over many less populous locations: - fantastic living environment; the availability of a highly skilled local workforce, a collaborative business community and supply chain and traditionally good connectivity to major business and administrative centres. In a post COVID, mid BREXIT era huge demands will be placed on diminishing public resources. To maximise the area's opportunity to attract investment and employment, it is important that we focus our energies in collaborating to achieve common goals that will benefit the whole area. In recognising these particularly challenging times needed the CNSRP hub is being established funded by DSRL to provide additional resource to accelerate the development of additional projects that can be put forward to seek investment.

- What sort of training is the NH college supposed to be providing for wind farm work? This is general construction and infrastructure work that major contractors undertake with their own trained staff.

**Response:** North Highland College is seeking accreditation to the Global wind standard. <https://www.globalwindsafety.org/> This internationally recognised approach is sought by SSE and other wind farm operators for their staff. Currently such training is undertaken out of the local area and the college's plan to localise this provision is a step toward bringing more of the benefit of this hugely important sector to the region. This is part of an ambitious programme to develop training education and research capabilities locally to support the renewable energy industry. The CNSRP partnership has recognised this as an important sector and seeks to support the development of further local capability attracting students and research activity to Caithness and North Sutherland. One goal is to have students travel to the area to seek education and be involved in research rather than leaving the region to do so. This will increase the chances of retaining these people in the region and attracting others to stay.

- Why is political support lacking for tidal energy? Why did MeyGen not get any funding for the development of fast linkages? Is industry just seeing it is a difficult too expensive adventure and realising that the tide actually doesn't flow at maximum 24 hours a day?

**Response:** Currently energy policy is not a devolved issue and nationally this technology, which could be particularly important in a Scottish Context, is one of many competing technological approaches seeking public resources: - Tidal stream; Wave power; Floating Wind; Fusion; Carbon capture and Storage; Battery production; Hydrogen production, transmission and storage are all being developed and are seeking support. It is recognised that to fully decarbonise power production will require the development and commercialisation of a mixture of energy production, load balancing, storage, smart grid and other technologies. Tidal stream power generation could be an important part of this mix - whilst this form of power generation is not constant, it is available 365 days a year on a highly predictable cycle. It is clear that we would not have the now highly competitive offshore wind industry without public

support. The Contract for Difference Mechanisms have reduced the risk to the industry and encouraged the huge strides in development that have been achieved in the last 10 years where Offshore Wind power generation is now more competitive than combined cycle gas. Upcoming revisions to CfD are hoped to enable support for yet-to be fully developed technologies such as Tidal, Wave and Floating wind.

- Is there still a question of competition for where the Space Hub might be sited? I got the impression from Struan's comments in the paper that Shetland and the Western Isles were still in the ring?

**Response:** The Space Hub Sutherland project received planning approval from Highland Council on the 24th June 2020. Scottish Government has also confirmed that it will not be calling in this decision. This is the first European based site to achieve this milestone. Other sites with a variety of potential capabilities are also in development, including three others in Scotland - Shetland, the Western Isles and Prestwick. It is a testament to Scottish ambition that all of these projects continue to develop, and that Space is seen as an important part of the economy for the 21st Century. As 30% of the small satellites in Europe are designed and manufactured in Glasgow and are currently shipped all over the world to be launched there is significant opportunity to further develop Scottish Capability with Space Hub Sutherland pioneering the approach to the benefit of the region. More information: <https://www.gov.uk/government/news/giant-leap-for-uk-spaceflight-programme-as-consultation-launches>

- Forget about the white elephant Wick Airport and concentrate on much improved roads. The road system is the only one capable of improvement and the railway is just going to remain as it is and moribund.

**Response:** These comments regarding transport need to be taken in context that the long-term effects of the COVID pandemic are as yet unknown. To date all major economic centres, have a combination of transport modes and interconnections, with the most successful having quick and easy connections to other major economic hubs. If Caithness and North Sutherland is to diversify and expand the economy air connections are vital to allow access to wider markets and attract and retain the talented people needed for a vibrant region. It is particularly important to a remote and rural area such as Caithness and North Sutherland that it is possible to travel quickly and flexibly to and from the region. The BOWL operations centre project was attracted to the region in part by its proximity to the Airport. Improving road and rail connections will not enable day travel to and from the major business and administration centres in the country. To achieve significantly lower journey times by road or rail would require levels of infrastructure spend that it is difficult to believe possible, when a relatively minor (in comparison) annual spend (c£3m p.a.) to support the Airport is proving so difficult to attract. The Berriedale braes improvements are costing circa £6m and have taken decades to achieve. The loss of the Airport will significantly reduce the ease of business travel and reduce the attractiveness to potential inward investors. It could be argued that the loss of economic activity as a result of having no airport will make attraction of further infrastructure spend even more challenging, rather than more likely.

- The now defunct PBO and its proposed Engineering Hub is most probably dead so the effort should be focussed on specific industry and specific companies which can use Dounreay's & Vulcan's skilled workforce either as DSRL subcontractors or as personal contracts to staff at weekends and nights just like Norfrost did.

**Response:** The recognition and development of the skills and value of the Dounreay site and Supply chain workforces is a key part of the CNSRP programme. In the immediate future a skills and competencies audit on the site is planned to build on the extensive work already

undertaken. The people transition plan will take account of both internal reskilling needs and identify the skill developments needed to support local businesses and relevant inward investors. Part of the Inward investment activity identifies and promotes particular local opportunities including the availability of trained and skilled local staff, with these staff being often seen as a valuable potential asset for companies seeking to locate or expand in the area.

- The CNSRP report has too much in it about creating plans and recruiting people to produce these plans. This is all easy stuff, but we need the existing staff to get out there and canvas industry and government both locally and nationally.

**Response:** The creation and agreement of plans is a fundamental first step to enable an accident a cohesive approach to maximise the use of limited resources, maximise any multiplier effects and reduce duplication or lack of focus. Having a robust and measurable plan enables progress monitoring and the opportunity to identify bottlenecks and resource requirements to ensure that progress continues to be made.

- Already since the easing of lockdown and witnessing that more people are holidaying here rather than abroad, it is clearly evident that our infrastructure cannot cope. If we want to be a tourist destination with the NC500 etc. of quality we must have more campsites, toilets, specific hard standing sites and waste disposal facilities for campervans (which are the most popular means of visiting). Also, bin and refuse collection from roadside parking spots and village carparks needs to be increased in frequency. If the Highland Council can't provide this then NC500 (whatever its legal being is) should as it's pushing it all the time.

**Response:** The success of the North Coast 500 route in recent years has attracted large numbers of visitors but has also shown that as volume of visitors has increased there is a need to improve infrastructure would improve the tourism offering. Some improvements have been made and further developments are sought. Post-Covid there has been additional pressures, with a large influx of visitors, many with no experience or understanding of remote and rural areas and where there has been an imbalance between visitor arrivals and the restart/re-opening of local facilities. It is correct that additional infrastructure would make the destination much more attractive. The issue is how to identify need and coordinate and attract the necessary investment to the area to the benefit of all.

## **VULCAN REPORTS**

### **MOD, Vulcan (DSG(2020)P025)**

- DSG would like to put on record their thanks to the donation of PPE to various medical practices in the local area.

**Response:** We are pleased to have supported the local community during the COVID 19 pandemic.

- Recognising the security aspects surrounding the transport of nuclear materials it is noted that in the written report, DNSR has approved the resumption of the next consignment. Does this mean that transportation has resumed?

**Response:** It can be confirmed that DNSR has approved the resumption of transportation of Nuclear Materials. As the DSG has recognised, this cannot be discussed in detail.

- We note the online Market Engagement Day and welcome the opportunity for representatives of DSG to present local information. It is pleasing to hear that MOD are now placing a strong bias on Social Value. The CNSRP has just launched a new project that will place sustainability at the heart of everything that is done. Would MOD and Rolls Royce consider getting involved with these initiatives as pilot projects come forward?

**Response:** MOD would be interested in finding out more about the initiatives and how it could get involved in the future.

### **Rolls Royce (DSG(2020)P020)**

- Would like to welcome Andy Maxwell, who has recently taken over from John Hook for Rolls Royce at Dounreay. Appreciating that Covid-19 has meant DSG members has been unable to meet in person I would like to ask whether Mr Maxwell intends to attend DSG meetings and whether he will be based in Caithness permanently for the duration of his work at Vulcan?

**Response:** Unfortunately, my family is unable to move up to Caithness with me as I have teenage girls in the middle of school exams therefore my plan is to be based in Vulcan between Monday and Friday most weeks. This will clearly be in compliance with all relevant COVID-19 guidance and any travel restrictions. On your second question I would appreciate attending DSG meetings both supporting in support of the Vulcan Head of Establishment and representing Rolls-Royce.

- It is noted that Rolls Royce progress their Business Planning and development for utilisation and deployment of Vulcan-based personnel and nuclear skills in Caithness beyond 2022. Does this mean you plan to continue to have a presence in Caithness whilst servicing other parts of the business remotely?

**Response:** Rolls-Royce continues to develop and assess the future business plan and we are looking at a number of scenarios and options for both remote working and supporting local opportunities.

- It is good to see that apprentice recruitment continues and that a further 4 new apprentices have been recruited for this year. Have you considered how long you can continue to take on apprentices for the Vulcan site?

**Response:** Rolls-Royce are very proud of our commitment to our apprentice recruitment scheme and the great results we have had in recent years. We will continue to assess the intake each year in line with the business plan and understandably cannot currently commit to a timescale going forward.

### **DNSR (DSG(2020)P023)**

- Is DNSR satisfied that those responsible for the Vulcan site has carried out its rephased return to work appropriate taking on board all Covid-19 restrictions?

**Response:** DNSR is content that NSV has adequate COVID-19 ways of working arrangements and risk assessments which have been in place for some time. DNSR are not currently undertaking on-site regulatory activities or inspections, or attending face-to-face meetings with NSV, except in exceptional circumstances. DNSR are continuing to maintain engagement on regulatory issues & projects via regular telecoms (typically weekly) to request and assess documentation by remote means where practicable.

Resumption to carry out certain types of limited operations safely have been permitted. Lessons learnt from the resumption of limited operations are to be reviewed in the near term for informing a future staged return to full site. Close monitoring and cognisance of MOD/ Government policy are being taken.

### **ONR, Vulcan (DSG(2020)P026)**

- Is ONR satisfied that those responsible for the Vulcan site has carried out its rephased return to work appropriate taking on board all Covid-19 restrictions?

**Response:** ONR has considered the Covid-19 arrangements put in place by Vulcan NRTE to protect its workforce. At the beginning of the pandemic, site activities were restricted to essential safety and security operations, minimising the number of employees required on site. During this time the site assessed the risks to its workforce, identifying measures to

support a phased, Covid-19 compliant return to work. The measures put in place by the site for managing this return to work are consistent with guidance issued by Health Protection Scotland. A suitable and sufficient risk assessment is in place, identifying adequate controls for the management of hazards associated with Covid-19 including instructions to staff around individual Covid-19 compliance. Based on this sampling ONR is satisfied with the health and safety arrangements put in place by Vulcan NRTE to protect its workforce through the pandemic.

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#### **Other DSG related information/updates:**

While Covid-19 continues to restrict the full working of the DSG, the business meeting has been meeting on a fortnightly basis to ensure that there continues to be as much pro-active progress being made.

During this period,

- DSG business meetings minutes have been issued to all members to ensure they are kept up to date and can input if relevant.
- Mark Rouse, Dounreay Managing Director continues to provide updates on the restart of work on the site to DSG chair and vice-chair. Mark Rouse has also continued to update the DSG Chair on other site related issues.
- NDA continues to engage and has provided updates on various topic subjects including progress with the site transition and information relating to other NDA sites.
- A meeting took place on 22 July with Gail Ross, MSP and Jamie Stone, MP. Those attending were Cllr Struan Mackie, Davie Alexander, Roger Saxon, Ron Gunn, Gillian Coghill, Peter Faccenda and David Swanson (representing the Chamber). Actions that were raised at this meeting are referenced in the action status document. The topics discussed were:

#### **NDA announcement of DSRL contract**

- Was agreed that all would continue to take an active interest in this as the transition from PBO model to NDA progresses.
- Cannot lose activities that PBO was going to undertake. How does NDA pick these issues up and make progress through and beyond transition?
- Skills agenda needs to be maintained and improved on.

#### **MOD (Vulcan) market engagement**

- Discussed future contract strategy for next phase of decommissioning the Vulcan site.
- Social Value would become part of procurement process.
- While MOD have made it clear they see no future use for any of the facilities on site, useful to understand if there had been discussions with other parties, ie CNSRP, NDA etc.

#### **Wick/IOG airport**

- Update provided on progress with Transport Scotland.
- Emphasised importance of having an airport.
- The need for The Highland Council to look at playing an active role.

#### **Any Other Business**

- Recent information on proposed boundary changes with reduction of Councillors in both Caithness and Sutherland.
- Delegation from Faroe Islands visiting area (date to be confirmed). Cllrs Karl Rosie and Struan Mackie working on this and will reach out to others to get involved in visit.
- Tourism/Caithness Horizons – noted that Caithness Horizons were working through final maintenance prior to an announcement of re-opening. General discussion held on disrespectful tourists while recognising lots of responsible tourists.
- Space Hub Sutherland: planning was approved and now awaiting Scottish Government's decision. Keen to see real benefits for the local area.
- Query on latest updates from NHS Redesign – request would be made for an update.

**Correspondence issued since last update:**

- DSG(2020)C037: DSG response to pre-consultation on NDA Strategy 4.
- DSG(2020)C038: DSG response to Scottish Government's response on HIE budget cuts.
- DSG(2020)C039: NDA SSG monthly update, August 2020
- DSG(2020)C040: Interim end state update, August 2020
- DSG(2020)C041: DSRL request for variation of RSA
- DSG(2020)C042: RS freight trial at Georgemas
  
- DSG(2020)P019: SEPA progress report, July 2020
- DSG(2020)P020: Rolls Royce update, July 2020
- DSG(2020)P021: ONR report for Dounreay, April to June 2020
- DSG(2020)P022: Dounreay update report, July 2020 (site ops and socio economics)
- DSG(2020)P023: DNSR report for Vulcan, July 2020
- DSG(2020)P024: CNC report for DSG, July 2020
- DSG(2020)P025: Vulcan report, July 2020
- DSG(2020)P026: ONR report for Vulcan, Jan to June 2020
- DSG(2020)P027: CNSRP update, July 2020
- DSG(2020)P028: NDA update, July 2020

Dounreay Stakeholder Group  
11 September 2020