

**DOUNREAY STAKEHOLDER GROUP
SOCIO ECONOMIC SUB GROUP**

Minutes of the DSG Socio Economic sub group held on Wednesday 21st July 2021 at 1330 hrs via Microsoft Teams.

Present:

David Alexander	Thurso and Wick Trade Union Council (Chair)
Cllr Struan Mackie	The Highland Council (DSG Chair)
David Swanson	Caithness Chamber of Commerce
Cllr Willie Mackay	The Highland Council
Alastair MacDonald	DSG Honorary Member
Gillian Coghill	Buldoos Residents Group
Ron Gunn	CHAT
Eann Sinclair	HIE
Peter Faccenda	CNSRP
Cllr Matthew Reiss	The Highland Council
Sandy Mackie	Scrabster Harbour Trust
Roger Saxon	DSG Honorary member

In attendance:

Tor Justad	DSG Co-opted member of the public
Dave Calder	CNSRP Business Development
Lauren Usher	Student – observing
Chris Sherrington	Pentland Offshore Wind project
Rebecca Marshall	Pentland Offshore Wind project
Andrew Blyth	Pentland Offshore Wind project
June Love	DSRL Socio Economic Manager
Dawn Clasper	DSRL, DSG Minute Secretary

MINUTES

1. WELCOME AND INTRODUCTIONS

Davie Alexander, DSG Socio Economic sub group chair, welcomed everyone to the meeting. He made special mention of Chris Sherrington, Rebecca Marshall and Andrew Blyth of Pentland Offshore Wind project. He also noted Dave Calder, CNSRP Business Development was also in attendance to allow him to take part in the discussions on the offshore wind project.

Davie Alexander also welcomed Lauren Usher, a student who was currently working towards her A-level exams and studying for an Extended Project Qualification and had chosen to investigate the ethics of nuclear power.

Before moving on, Davie Alexander noted that following the AGM it was usual for the deputy sub group chair to be elected at the following sub group meeting. As the April meeting had not taken place this meeting had been the first opportunity to elect the deputy sub group chair. He noted that Ron Gunn had indicated his intention to stand down as deputy chair although he would remain as a DSG member representing CHAT. Davie Alexander thanked Ron Gunn for his support during the last year and looked forward to continuing to work with him through the sub group meetings.

Davie Alexander said he had considered those in attendance and asked whether Peter Faccenda would consider taking on this role. As there was no other nominations, Davie Alexander

proposed Peter Faccenda and this was seconded by Gillian Coghill. Peter Faccenda thanked the group and stated he looked forward to taking on this role.

2. APOLOGIES

Dawn Clasper, DSG Minute Secretary noted apologies had been received from:

- Trudy Morris, Chamber – David Swanson deputising
- David Wallace, NDA Stakeholder lead - Scotland

3. PRESENTATION - PENTLAND OFFSHORE WIND LTD

A presentation on the project was provided by Chris Sherrington, Rebecca Marshall and Andrew Blyth. See DSG(2021)C034 for presentation.

Davie Alexander thanked the three representatives for their presentation and opened up for questions from members. The following was raised:

- Peter Faccenda asked how this project tied in with the next Scot Wind leasing round and enquired how the area could encourage more local activity in terms of local supply chain capability. Chris Sherrington responded that that the demonstration project was intended to achieve operations by 2023 which allows 2 years to demonstrate the project which fits in with the Scot Wind project timelines. A financial investment decision following the demo and early engagement with insurance bodies and others have commenced. This will all feed into the Scot Wind process.
- Peter Faccenda enquired whether this could lead to further development projects in the future. Chris Sherrington responded that it would and confirmed they were working with others to win one or more sites in the Scot Wind leasing round. He added even if these additional projects were not successful it would not affect this project. Andrew Blyth added that there was a couple of other projects running in parallel and the demo project would feed into these projects as well. In terms of wider benefits at this stage this was a demo project and was a key stepping stone to the array and future commercial floating wind projects. The learnings from this demonstration project would be applicable to future floating projects in the UK and globally. For example, Crown Estates do have a current leasing round outwith Scotland and having the demo project in Scotland could help build the supply chain which would start to deliver benefits. Andrew added that they were keen to capitalise on this by utilising local capability where possible. With regards to local engagement the intention was to plan a series of Meet the Buyer events.
- David Swanson noted that the Chamber had around 240 members in the local supply chain and was currently developing an on-line Offshore supply chain directory and this would be available within the next couple of months. In addition, the Chamber would be keen to discuss how they could support Meet the Buyer events. In terms of skills, the Chamber leads on the Scottish Government's Developing the Young Workforce for the area. David Swanson felt it would be useful to have a follow up discussion to explore where the Chamber could support such activities.
- Davie Alexander stated that he was pleased that local stakeholders were involved from the outset and felt that there was a number of key stakeholders at the table who could support with a number of activities to ensure this project was taken forward in a collaborative way.

- Tor Justad stated that he had a general interest in renewables with a background in community energy projects. He queried whether there could be direct involvement from the public and community projects, such as hydro-schemes that could be part-owned by the community. Andrew Blyth responded that community co-financing was an aspect that had not been considered at this stage because it was a demo project and the higher investment risk involved means that it is not generally suitable for public investment. However, an application for BEIS funding had been submitted and the outcome would be known at the end of August. Community co-financing was something that was being considered within the Scot Wind applications if successful.
- Tor Justad also noted surprise that the floating wind was not better developed. Chris Sherrington responded that there were still a small number of test or demo projects and at this point there was not one dominant technology emerging. Consideration for this was to ensure the technology agreed was both achievable and scalable.
- Tor Justad asked what feedback had been received from environmental organisations on impacts to mammals. Andrew Blyth responded that aerial surveys had been undertaken of the area with surveys on birds and marine mammals. As part of the consenting for the demonstration there are conditions to be adhered to including monitoring of birds, marine mammals, fisheries etc. The results of the surveys will identify potential impacts on the type of structures that will be developed.
- Tor Justad asked whether navigation safety had been considered. Andrew Blyth responded that there would be specific requirements that would be adhered to and they were currently taking advice from the Northern Lighthouse Board. The lighting would vary from a single turbine to a lighting pattern within an array.
- Dave Calder noted his question was mainly around the drivers for the full array and making the assumption of a 25 year life cycle. He imagined that there would be a requirement for an O&M base close by or was the thinking to adopt a 'fix in situ' or tow model. He queried whether there had been any current thinking on an O&M strategy. Chris Sherrington responded that there would be a need for a local port to allow for crew transfers and vessels. For major maintenance it was expected it would be tow back to a port however the strategy for O&M was still to be developed.
- June Love noted that, through CNSRP, she would be happy to organise a visit programme for them to ensure that meetings were arranged with a number of key organisations and visits to various local facilities that would have the capability to support this project.
- Cllr Matthew Reiss recalled an earlier discussion with Caithness Councillors and noted that if looking for a port that could cater for crew transfers/vessels and O&M they should certainly look and consider Scrabster Harbour. He also felt that at some point there should be a discussion on community benefit noting that the 2 experimental turbines in the Moray Firth had resulted in Beatrice with significant economic and social benefits. He also noted there was relatively few objections to offshore wind in comparison to onshore wind.
- Cllr Matthew Reiss also noted that it would be worthwhile making contact with the Civil Nuclear Constabulary at the Dounreay site. On the topic of mammals, he reflected there was a strong whale watch interest in the area and was therefore delighted to hear consideration on the impact of the turbines were being considered in terms of birds and mammals. He stated there had been reports of sea eagles nesting on the cliffs of

Hoy. Reflecting on other tourism activities, visitors came to the area to see the Northern Lights and this should be considered when developing the lighting for safety navigation.

There being no further questions, Davie Alexander thanked everyone for their input noting that he had found the presentation and discussion a positive one. He welcomed the opportunity for further discussions as the project progressed. At this point, representatives for the Pentland Offshore Wind project left the meeting.

Action: DSG/SESG(2021)M02/A001: Rebecca Marshall to provide slide presentation to June Love to cascade to DSG members.

Action: DSG/SESG(2021)M02/A002: June Love to provide email introductions to the Chamber of Commerce and CNSRP for follow up discussions.

4. MINUTES OF LAST MEETING

Davie Alexander reminded members that the April sub group had been cancelled due to the pre-election period. Therefore the minutes distributed within the paperwork were the January sub group minutes which had been endorsed at the March public meeting. Therefore these minutes had been endorsed earlier. He invited members to raise any issues from the minutes. No issues were raised.

5. PROGRESS ON ACTIONS

June Love updated on the status of actions. Of note:

- DSG(2021)M01/A003: June Love to explore with NDA the potential to arrange a workshop for all DSG members on social value.
NDA had suggested providing update at the September public meeting but because the MOD presentation is identified for this and to give time for Andrew Van Der Lem's replacement to be appointed and settle in agreed that this could be done at the December public meeting.
- DSG(2021)M01/A015: June Love to ask John McNamara whether he had a timeline for undertaking the review of the SSG guidance.
This action was now complete and the response was included in the status of actions circulated to members in advance.

Davie Alexander noted that he was going to raise under any other business but given the discussion on the action on NDA undertaking a review of SSG guidance he thought it appropriate to rise now. The business meeting had discussed the timing of the DSG review and had reached the conclusion that the review should commence as soon as possible and not wait for the outcome of the NDA's review of the guidance. Members agreed that this should commence as soon as possible.

Action: DSG/SESG(2021)M02/A003: June Love to circulate final scope for DSG review to all DSG members.

- DSG(2021)M02/A009: June Love to ask Dave Wallace to provide an update at the next Socio Economic sub group meeting and have this as a standing agenda item.
It was noted that there was a brief update in the NDA written update (DSG(2021)P020).
Dave Wallace had tendered his apologies for this meeting as he was on leave but was aware of this request and would update at the next sub group meeting.

- Struan Mackie noted that a letter had been written to MOD with regards social value within the decommissioning activities. Given the extension of site operations he wondered whether that extension could fall into the social value piece as well. He noted that MOD would be attending the Site Restoration sub group that was being held later in the evening and would raise this topic with them at that meeting.
- Davie Alexander noted that the business meeting were continuing to meet fortnightly and kept the actions under constant review. He acknowledged the business meeting was content with the progress made in closing out the actions.

6. COMMUNITY FUND REQUESTS

Before considering the funding applications, Davie Alexander reminded members to indicate if members had a conflict of interest with the applications being reviewed. No conflicts were registered.

Two funding applications were considered. Following minor queries on both applications it was agreed that further information would be provided and decisions would be made by correspondence. [Secretary's note; these were subsequently clarified after the meeting and the recommendations were endorsed.]

7. DOUNREAY SOCIO ECONOMIC ACTIVITIES

Davie Alexander noted that Dave Wallace, NDA had tendered his apologies but had provided a written update – DSG(2021)P020 refers. No issues were raised from the report.

Davie Alexander noted that DSRL had also provided a written update – DSG(2021)P012 refers. He invited June Love to provide an update noting she would pick up some highlights having taken the paper as read. Of note:

- The socio economic programme continued to evolve as additional workstreams were added where there was a potential benefit outside the site from site activities. Examples of this was the inclusion of sustainability and R&D activities so that these could be considered in terms of wider impacts.
- The long term off-site office accommodation was progressing and completion of RIBA stage 1 was now completed. This had been reviewed by the DSRL Executive with approval to move to the next stage. The programme was on schedule, however new guidance meant that any project over £100k was now required to go to NDA Corporate for consideration and this had not been built into the original programme of activities. Therefore there may be some slight delays as this process was incorporated.
- Discussions had taken place with the Decommissioning Services Framework consortiums. This meeting had been attended by Peter Faccenda (CNSRP) and Trudy Morris (Chamber of Commerce). The meeting was to explore where they could support economic activities in the area as part of their socio economic plans submitted for these contracts. All were keen to get involved in the skills agenda and a separate meeting to ensure full co-ordination with local STEM activities and Developing the Young Workforce was held.

June Love noted that she would not go through the paper in detail but was happy to take questions. Of note:

- Davie Alexander said he had noted that the audit was behind schedule and asked for an explanation of the delay. June Love responded that the procurement activity had commenced on schedule but unfortunately there had been no tender submissions. Work was ongoing to understand why there had been no returns and it was expected that this work would be retendered on Thursday 21 July. She added that while the project was behind schedule, work had continued to ensure all the necessary information required from the site had been collated to ensure this could be handed over as soon as a preferred contractor was identified. Work was ongoing to redefine the dates for delivery and it was believed that the delay to this could be reduced and at this point it was hoped that the end date of 28 February would remain. She noted that once confirmation of the revised dates for the procurement activity had been received the programme would be updated.
- Roger Saxon asked what progress was being made to re-open North Coast Visitor Attraction (formerly Caithness Horizons). June Love noted she had regular meetings with The Highland Council and High Life Highland for updates on progress. She stated that it was hoped that the facility would re-open at the end of August and currently HLH were waiting for Highland Council to complete the maintenance required.

Roger Saxon noted that there was no mention of the facility on the HLH website and it would be useful if updates could be provided there to give the community confidence that it was going to re-open. He also questioned the sustainability of the project. June Love responded that HLH were acutely aware of the need to reduce the grant funding that was being provided over the next three years and the funders had agreed to continue to monitor this on a regular basis. The advantage of HLH taking over the management of the facilities was that alongside other facilities managed by them allowed some economies of scale including shared costs for the likes of insurance etc.

- Tor Justad stated that the report had been very detailed and demonstrated the funding that was being provided to various projects but asked why the impacts of these projects were not recorded. He added there was social value models that could measure impacts. June Love noted that NDA had just adopted a new system for all grant funding applications and there was a back end reporting system to provide the impacts of these projects. This was still under development and a few things were still being ironed out but NDA recognised the importance of reporting the impacts for all grant funded projects. This would be done but would take a while to develop thoroughly. Tor Justad noted that one of the ways this could be done was to issue questionnaires to the applicants. June Love noted that the conditions of funding included a final case study which should include the impacts of the funding intervention.

There being no further questions, Davie Alexander thanked June Love for her update and added that he was pleased to see a very detailed report had been provided.

8. DOUNREAY SOCIAL IMPACT PLAN/PROGRAMME

Davie Alexander noted that DSRL's rolling social impact plan and programme had been circulated to members in advance of the meeting. He reflected that this was a good document that covered activity in detail. He invited June Love to provide an update. June Love stated:

- The plan was updated on a yearly basis and looked at a three year rolling programme.
- The plan had been submitted to the NDA in March and would have been taken at the April sub group meeting which had been cancelled.

- DSG members were invited to provide comment on the document as it would remain a living document and updated on a regular basis.
- The programme of activities was kept under constant review and was the subject of review by the Dounreay Executive Socio Economic sub group that reported into the Dounreay Executive meeting.
- Mark Rouse, MD had requested that the socio economic programme became an integral part of the near term work plan and regular briefings were now provided to the Dounreay Executive.
- She invited members to take the document away and provide any comment or queries by correspondence if appropriate.

Action: DSG/SESG(2021)M02/A004: DSG Socio economic sub group members to provide any comment on DSRL's Social Impact Plan and programme.

9. UPDATES ON SOCIO ECONOMIC ACTIVITIES

Davie Alexander noted that the CNSRP paper had been circulated in advance to members – DSG(2021)P018 refers. He invited Peter Faccenda to provide an update. Peter Faccenda providing the following high level update:

- The Space Hub Sutherland project continues to progress. At present the legal judgements were awaited from both Land Court and the Judicial Review.
- Work was ongoing to finalise the funding package for the PSO (Public Service Obligation) for Wick/JOG airport. Following discussions with UK Government in February, correspondence had been received suggesting two potential funds to apply to. Unfortunately one of these had closed while the criteria for funding of the other fund did not fit with this project. Discussions had commenced with the NDA to explore whether this was something they could support.

The Highland Council was working with Aberdeen and Aberdeenshire Councils in relation to the procurement for a PSO. HC had also procured a specialist consultant to help with this process in terms of the PSO documentation for the tender documents. North Point Aviation Ltd had been procured by HC to explore the market interest.

- Three representatives of UKAEA visited the Dounreay site in early July for a site visit in relation to the application by CNSRP to bid for the Fusion reactor to be sited in Caithness. Peter Faccenda and Shona Kirk (CNSRP) were present for the site visit with DSRL senior staff involved. Mark Rouse MD and Mick Moore (Operations Director) both took time out their busy schedule to meet the group and a detailed site tour was provided by Adreain Gill.

Prior to the visit a number of follow up questions had been raised and responses had been submitted. It was expected that following visits to all 15 sites UKAEA would assess all sites with a view to down-selecting a smaller number into the next stage. Announcements were expected to be made in late summer.

- In terms of other CNSRP activity, a funding application had been submitted to the UK Government's Levelling up fund based around Wick harbour. A response as to whether this was successful is awaited.

- A further funding application had been submitted to the Community Renewal Fund to support a potential hydrogen project. A response was currently awaited.
- A significant challenge for both funds mentioned above was the fact that Highland region was not seen as a priority area with 1 being the highest and Highland in level 3 (the lowest level). Highland Council were currently trying to influence this perception for a forthcoming Shared Prosperity Funding round.
- There would be a joint CNSRP Advisory Board/Executive meeting in August. Anyone seeking information on the projects currently being pursued or other queries should get in touch with their CNSRP Advisory representative.

Davie Alexander thanked Peter for his input and invited questions from members. Of note:

- David Swanson noted, in relation to the Wick/JOG PSO, Cllr Raymond Bremner had now been appointed as chair for the Wick/JOG Airport Consultative Committee. Jamie Stone, MP had secured a meeting with UK Government Minister to discuss the funding situation for the airport and Cllr Bremner would also attend. Cllr Bremner had also spoken with Roda Grant, MSP to ensure discussions with Scottish Government on the scope to extend the funding timescale.
- Cllr Matthew Reis felt it was imperative that the airport was re-opened sooner rather than later. He had been very disappointed in the UK Government's response following positive discussions with the Secretary of State for Scotland earlier in the year. Going back to the earlier presentation on the Pentland Offshore Wind project he argued that to attract inward investment to the area it was important that the airport was operational. Peter Faccenda responded that regular discussions were ongoing with HC to progress the procurement documentation but at some stage soon a decision would be required to agree what costs would be outlined in the procurement documentation. He added that NDA had acted swiftly when approached to explore whether they could support and were currently discussing this with BEIS.
- Tor Justad asked when decisions were likely to be made for the Fusion project. Peter Faccenda responded that the final decision for site selection would be towards the end of next year as the decision will rest with the Secretary of State for Energy. Between now and then, it is expected that UKAEA would shortlist from the 15 sites already identified and a decision on the viable sites taken into the next round would be around September. Tor Justad noted that he had heard that Sellafield was making a big play for this project.
- Cllr Struan Mackie stated, in terms of a couple of the projects mentioned, he wished to stress how important the airport would be and it was important to ensure that the service provided was appropriate for business/community requirements. He also had been deeply disappointed by the UK Government's response and was concerned that this could back the area into a corner of what UK Government can support. He voiced caution in that if NDA were able to support this project the ramifications for other local projects (earmarked for potential NDA funding) would suffer as a result. With regards the Fusion project, he noted that there was a very clear link between UKAEA in Harwell and Dounreay and this was still clear by the number of old UKAEA jackets that could still be seen around the town.

There being no further questions, Davie Alexander thanked everyone for their input.

10. CORRESPONDENCE SINCE LAST MEETING

Davie Alexander noted that a letter (DSG(2021)C032 refers) had been written to UK Government Ministers for MOD. He felt the letter had been very detailed providing the historic issues previously raised around MOD. He noted that the Commodore was attending the Site Restoration sub group meeting this evening and it would be interesting to see what was said. He added that MOD would provide a presentation at the September public meeting.

11. ANY OTHER BUSINESS

Before opening up to members, Davie Alexander noted the following:

- He, Struan Mackie and Gillian Coghill had been involved in early discussions with the NDA with regards to an NDA Scottish Strategy. He was aware other members in the room had also had these discussions with NDA. As DSG, a response going forward would be considered and he felt it would be useful to get views from those around the table that had been involved. He, himself, felt that NDA had done this the wrong way round and thought they should have started with Scottish Government to understand the priority areas of Scottish Government when it came to economic activity. He invited others to make comment:
 - Peter Faccenda noted CNSRP’s involvement in these discussions alongside the Chamber and HIE. He believed it was important for the local groups to help form the strategy from the ground up to ensure local requirements are highlighted. While appreciating the approach of joining up a strategy between Chapelcross, Hunterston and Dounreay there still had to be recognition that all areas were different.
 - Davie Alexander felt it would be useful to meet with Chapelcross and Hunterston SSG reps once discussions had been held with them to look at whether there were synergies between the three sites. He also felt it would be useful to request that NDA provide an update presentation at the DSG public meeting in December. This would sit alongside the social value presentation already agreed.
 - Gillian Coghill agreed that it would be useful to have an update at a full DSG meeting to ensure all DSG members were aware of this work. She added that building from the bottom up would allow identification of what the area’s requirements were and align these to Scottish Government economic growth sectors. She was keen to see DSG working with CNSRP to ensure that local requirements were well articulated.
 - Cllr Struan Mackie stated his initial response was that some of the things being suggested was in essence re-inventing the wheel. He added that for a Scottish strategy to be really innovative there was a need to ensure that both Government’s work together as while concentrating on Scottish Government was fine to some extent he felt it would be a much stronger proposition if both Governments were involved.
 - Cllr Struan Mackie also noted that if this strategy was to be developed in a timely manner there was a need for NDA to have this fully resourced and not just an add-on to already busy day jobs.

Action: DSG/SESG(2021)M02/A005: June Love to speak with Dave Wallace re an update of the NDA Scottish Strategy at the December public meeting.

- Davie Alexander stated that he and the DSG Chair had been more involved with the NDA SSG Chair's forum over the last few months. From the initial meetings held, he believed this was beginning to focus on areas of interest across all SSGs and after questions were raised about NDA's commitment to SSGS there had been a working group set up to look at the SSG's in terms of scrutiny, memberships and funding. While other SSGs were having ongoing discussions on budget positions or resources to support the SSGs, he felt that the DSG was in a good place as DSRL had been good at maintaining the budget to allow DSG business to progress without any uncertainties. However, he warned that DSG would need to keep a watchful eye on this because if, as suspected, DSRL moved into the Magnox structure then there could be an impact of DSG's budget/resource.
- Davie Alexander then invited student, Lauren Usher, to make comment on whether she found the meeting to be useful. Lauren Usher responded that she had found it really useful to get an insight into the workings of part of the DSG and how it tied in with the regeneration efforts of the area. Davie Alexander responded that if she wished to follow up anything for clarity then he encouraged her to get in touch with the Secretariat who would co-ordinate any responses required. He wished her well with her studies.
- Ron Gunn stated he wished Peter Faccenda good luck in taking over the role as deputy sub group chair. He had enjoyed this role and it was unfortunate that he had to step back a bit but looked forward to continued involvement in the sub groups and public meeting. He added that the Business meetings were very enjoyable and when he had first joined he had been pleased to see that the officials had their fingers on the pulse in so many areas. He believed Peter Faccenda would be a good addition to this group.

12. CLOSE

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

David Alexander
DSG Socio Economic sub group chair
24 July 2021

ACTIONS ARISING FROM THIS MEETING

DSG/SESG(2021)M02/A001: Rebecca Marshall to provide slide presentation to June Love to cascade to DSG members.

DSG/SESG(2021)M02/A002: June Love to provide email introductions to the Chamber of Commerce and CNSRP for follow up discussions.

DSG/SESG(2021)M02/A003: June Love to circulate final scope for DSG review to all DSG members.

DSG/SESG(2021)M02/A004: DSG Socio economic sub group members to provide any comment on DSRL's Social Impact Plan and programme.

DSG/SESG(2021)M02/A005: June Love to speak with Dave Wallace re an update of the NDA Scottish Strategy at the December public meeting.