

**DOUNREAY STAKEHOLDER GROUP  
SOCIO ECONOMIC SUB GROUP**

**Minutes of the DSG Socio Economic sub group held on Wednesday 20 October 2021 at 1330 hrs at DSRL Ormlie Hub/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
Gillian Coghill	Buldoos Residents Group
Giles Huby	North Highland College, UHI
Eann Sinclair	HIE
Peter Faccenda	CNSRP
Roger Saxon	DSG Honorary member
Tor Justad	DSG Co-opted member of public

**In attendance:**

June Love	DSRL Socio Economic Manager
Dawn Clasper	DSRL, DSG Minute Secretary
Prof Ray Kemp	Consultant, DSG Review

**MINUTES**

**1. WELCOME AND INTRODUCTIONS**

Davie Alexander welcomed everyone to the meeting noting some of the members of the site restoration sub group had also taken the opportunity to join this meeting. He also welcomed Prof Ray Kemp who was currently undertaking the DSG review and was observing as part of that piece of work.

**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
- Cllr Matthew Reiss, The Highland Council
- Debbie Murray, NHC – Giles Huby deputising
- Sandy Mackie, Scrabster Harbour Trust
- Ron Gunn, CHAT
- Alastair MacDonald, DSG Honorary member
- Murray Lamont, North Highland Tourism

**3. MINUTES OF LAST MEETING**

Davie Alexander noted that the minutes of the last meeting – DSG/SESG(2021)M02, held in July 2021 – had been circulated in advance to all members. These minutes had been endorsed at the DSG public meeting held in September 2021.

He invited members to raise anything from the minutes. Of note:

- Tor Justad asked if there had been any response to his question from Pentland Offshore Wind Ltd regarding community benefit. June Love said she would confirm with Tor following the meeting if a response had been received. Davie Alexander noted that

Pentland Offshore Wind Ltd had undertaken consultation over the past few weeks.

#### 4. PROGRESS ON ACTIONS

Davie Alexander noted the status of actions, circulated in advance to members. He noted the following actions associated with the socio economic sub group:

- **DSG(2021)M03/A020:** DSG to arrange a meeting in the NCVV once back to normal meeting arrangements.

Davie Alexander noted that it was good to hear that the facility would re-open on 2<sup>nd</sup> November. The DSG Business meeting would consider booking out the venue for DSG ad hoc meetings which would provide some support.

- **DSG(2021)M03/A023:** June Love to draft response from DSG group re CNSRP Advisory Board.

Dave Alexander noted that at the last CNSRP Advisory Board there was a number of questions raised around membership and the aim of the Advisory Board. The DSG Business meeting had discussed this and a response has now been drafted. The business meeting would review the response at its next meeting on 26<sup>th</sup> October and a final version would be distributed to all DSG members for information.

- **DSG(2021)M03/A027:** June Love to co-ordinate a date for all interested DSG members to take part in the site's virtual tour.

It was noted that this action was ongoing. It would be discussed at the business meeting on 26<sup>th</sup> October as there was a couple of options that could be considered.

- **DSG(2021)M03/A028:** Diane Hamilton to contact the Energy policy team to request clarity on dates for review and consultation.

It was noted that while this action really sat with the Site Restoration sub group it was also of interest to the Socio economic sub group. Reminders for response would continue until such times a clear response has been provided.

Davie Alexander also noted there were further actions raised from the last Business meeting and these were being progressed and updates would be provided shortly.

On the ongoing actions from previous meetings, the following was noted:

- **DSG(2021)M02/A002:** Diane Hamilton, Scottish Government Radwaste Team, to provide a more detailed organisation chart to provide background of those involved. This action continued to be open due to discussions at the September public meeting. This would be discussed at the Business meeting on 26<sup>th</sup> October.
- **DSG(2021)M02/A007:** Following on from the recent announcement on the NDA Review, can NDA/DSRL provide DSG with a one page diagram of what the current NDA plethora of Boards is to allow DSG to understand the oversight/sanctioning process.

Davie Alexander noted that this action was due to be finalised by end Sept/beg October. He asked that a reminder go to Dave Wallace to close out this action.

**Action: DSG/SESG(2021)M03/A01: Davie Alexander to write to Dave Wallace to progress action (M02/A007) re diagram of NDA Boards.**

Before concluding, Davie Alexander noted that a response (previously circulated to members) had now been sent to Maree Todd regarding the PSO for Wick/JOG airport. Given no response had yet been received, he asked that a reminder be sent out to prompt a response as soon as possible.

**Action: DSG/SESG(2021)M03/A02: June Love to send a prompt to Maree Todd re response to DSG letter on PSO for Wick/JOG Airport.**

He then invited members to raise anything from the status of actions.

- Tor Justad noted he was pleased to hear that North Coast Visitor Attraction (former Caithness Horizons) was to re-open and was glad to see DSG looking at ways of supporting the venue going forward.

## **5. COMMUNITY FUND REQUESTS**

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

Funding applications were reviewed and following discussions decisions were made on each funding application.

## **6. DOUNREAY SOCIO ECONOMIC ACTIVITIES**

Davie Alexander noted that Dave Wallace, NDA had tendered his apologies for the meeting and no written update had been provided. He suggested he write to Dave Wallace requesting that a written update was provided at all socio economic sub group meetings from NDA regardless of attendance or not. Eann Sinclair agreed noting that it would be important to receive regular updates on how the Scottish strategy would be taken forward amongst other things.

**Action: DSG/SESG(2021)M03/A03: Davie Alexander to write to Dave Wallace requesting that written updates be provided to the socio economic sub group for each meeting.**

Davie Alexander noted that DSRL had also provided a written update – DSG(2021)P022 refers. He invited June Love to provide an update noting she would pick up some highlights having taken the paper as read.

June Love, DSRL Socio Economic Manager highlighted the following:

- Would take the paper as read and would not go into lots of detail.
- The report was split into two main areas – the site programme activities that could provide benefit outside the fence and the DSRL grant funding of socio economic projects.
- Noted the announcement on 23<sup>rd</sup> September regarding DSRL's transition into Magnox.
- Nuclear Services hub (DSRL offsite accommodation) was progressing. The RIBA stage 0 and 1 had been completed and currently working was ongoing to understand the new governance arrangements for taking forward this project.
- The skills audit for the DSRL workforce had now commenced, Ekosgen had been awarded the contract and a kick off meeting had been held. There had been a delay in the procurement activities at the start of this activity but upfront work had been carried out to

ensure information was ready and available for the contractor to pick up. It is expected that this work will complete by 28 February and provide information for DSRL on current skills which will in turn allow consideration of the skills required as decommissioning progresses.

- In addition to the skills audit, NDA were in the process of procuring work to undertaken social impact studies around all the NDA sites. There had been an opportunity to feed in bespoke questions on the area so that one report would support both NDA and CNSRP.
- The Executive Team had considered the proposal to relook at a spin out project for the site laboratories. The Executive Team had asked that this be deferred meantime as the transition to Magnox and other priorities on site take precedent. The Executive team were supportive of taking this forward and would relook at commencing this work soon.

Giles Huby asked whether there was merit in speaking with ERI to ensure that this had the potential to complement the services provided by both labs. June Love said she would pass this to the project manager taking this work forward and would engage with ERI at an appropriate time.

- There had been a couple of examples of DSRL working in partnership with other NDA sites to look at some technical challenges. It had often been stated that DSRL would be a good 'lead and learn' site and discussions were ongoing to understand the extent that DSRL can play their part across the NDA estate.
- Two DSRL contracts were out to tender at present. Both include social value elements within the tender documents.
- On the grant funding activities, all conditions of funding had been delivered on time and details of these had been updated in the written paper. Of note:
  - CNSRP was in the process of developing a new funding application to continue the CNSRP Support Hub work that DSRL funded during 2020-21. The first funding allocation was due to complete at the end of December 2021. The new application would seek funding over a three year period to continue with the provision of this support.
  - DSRL had funded part of the Space Cluster Development work and this had shown how CNSRP partners could work together. It had been pleasing to see the focus kept on this work and the strategy was launched the day after the UK Space Strategy was published. The project had been delivered early and on budget. Further work is proposed to now look at the strategy and develop a local action plan to take projects forward. HIE had been successful in securing grant funding from the UK Space Agency to continue with this work.
  - The North Coast Visitor Attraction, previously discussed, would re-open on 2 November.
- The NDA had announced the appointment of Jamie Reed as NDA Director of Social Impact. June Love noted she was in discussion to agree a date for Jamie Reed to visit the area alongside Neil Smith so they could meet a number of DSRL and external stakeholders.

Davie Alexander noted that the DFR control room, currently housed in the British Science Museum, would be relocated to the National Museum of Scotland in Edinburgh. He hoped that the exhibition would result in some positive wording around the fact that Dounreay had been instrumental in demonstrating that fast reactor technology worked and hoped that any written wording around the display showed this in a positive light. Roger Saxon added it was good to see it being housed in Edinburgh. June Love said she would pass this back to the Heritage Officer for his consideration.

There being no further questions raised, Davie Alexander thanked June Love for her comprehensive report noting the report was very useful in terms of knowing everything that was ongoing at present. He added it was pleasing to see some thoughts being given to site programme activities that could provide benefit outside the fence. It was good to see DSRL playing their part.

## **7. UPDATES ON SOCIO ECONOMIC ACTIVITIES**

Davie Alexander stated that CNSRP had provided a written update for the meeting – DSG(2021)P023 refers.

Before handing over to Peter Faccenda, Davie Alexander noted his disappointment of the outcome of the site selection for the Fusion (STEP) project.

He invited Peter Faccenda to provide an update. Peter Faccenda, CNSRP Programme Manager noted the following:

- CNSRP had also been disappointed at the announcement that Caithness did not get through into the next round of site selection for the Fusion project. He echoed Davie Alexander's comments adding that the partners had worked well together ensuring everything asked by UKAEA had been delivered on time. CNSRP were now looking to set up a meeting with UKAEA to receive feedback on why the site had not been successful in moving to the next round.
- The Space Cluster development work was moving forward with a local leadership group forming to look at the local opportunities to support the creation of jobs in the region.
- The procurement for the PSO (public service obligation) for Wick/JOG airport had been issued. Tenders are due to be returned at the end of November. The Highland Council is taking this forward on behalf of the partnership.
- A hydrogen project is being scoped out at present which identifies several potential opportunities for the area. ERI had finalised a piece of work look at the requirements for hydrogen in the area.
- The next steps for CNSRP and the support hub is to seek to extend the grant funding provided for the next three years. The support hub, funded initially by DSRL, has provided strength in depth when it comes to taking projects forward.

Davie Alexander invited members to raise any questions. Of note:

- Tor Justad asked whether within the hydrogen project a distinction had been made between green hydrogen and others that were not so environmentally friendly. He also noted that there was a number of hydrogen projects starting to be developed within the Highlands and Islands area as well as more nationally within Scotland the UK. He asked that in relation to Caithness and Sutherland what would this project achieve. Peter Faccenda responded they are looking at green hydrogen and some **discussions** were ongoing at present. The project would not impact on what was happening elsewhere in the region or nationally as this was looking at the potential to support activities within Caithness & Sutherland. Having said that, there may be a potential to export some of this resource but that would be in the longer term.
- Tor Justad asked whether those with nuclear (and other related skills) could transfer into this type of work. Giles Huby noted that there had been working done looking at mapping across skills in the energy sector into these new emerging technologies and confirmed that the skills of nuclear (and other energy sectors) was indeed compatible. He added that Orkney college was running hydrogen training courses and consideration of how this could be rolled out within UHI. There was training available on the ESP website.
- Roger Saxon asked whether there had been consideration in looking at the Spittal facility who were utilising compressed air. Peter Faccenda responded that he believed there was good synergy between the skills in the area and these projects and that consideration of a number of ways to store energy was one that was being considered.
- Peter Faccenda added that SSE had started to consult on the **transmission charge** regime. Eann Sinclair added there had been a campaign a number of years ago on transmission charges and encouraged groups to think about responses to the SSE consultation when it went live. David Swanson noted that the Chamber would likely submit a response to this consultation on behalf of its membership.

Davie Alexander thanked Peter Faccenda for his update, noting that there was a lot of positives coming out from CNSRP and that the funding support for the CNSRP support hub had been very useful in terms of having extra resource to focus on taking some of these projects forward. He felt that more projects were coming on stream and recognising that while all would not be successful it was important to have a pipeline of projects to take forward.

## **8. CORRESPONDENCE SINCE LAST MEETING**

Davie Alexander noted the correspondence circulated for this meeting. Of note:

- DSG(2021)C045: DSG response to Maree Todd, MSP regarding PSO for the airport.

Davie Alexander noted that this had been discussed earlier in the meeting and no further comment was required at this time.

- DSG(2021)C043: MOD presentation to September public meeting re decommissioning procurement/social value.

Davie Alexander noted that following the presentation a number of members had come forward with additional questions. These had been collated and would be discussed at the next DSG Business meeting with a view to agreeing how to take these forward. He added that there appeared to be less reluctance for MOD to engage with DSG and that was worthy of note.

Cllr Struan Mackie agreed with these comments noting that engagement with MOD had improved and that it had given DSG an opportunity to set out its expectations. He added that while social value was now mandated through procurement activities it was still important to challenge MOD to ensure that the criteria set on social value was the right ones for the community. He felt that MOD's understanding of consultation was very different to that of the stakeholder group.

Peter Faccenda added that there was a 10% weighting on the social value aspects of any bid which was a significant weighting to be applied and make the difference in a winning bid. It would be important to ensure that those considering the various tender bids understood the area's needs and desires and did not let the bidders simply do a tick box exercise.

David Swanson agreed adding that from a Chamber point of view the weighting was significant but had to reflect the reality of the community needs.

Before moving on to other business, Davie Alexander also noted:

- DSG members had also raised some questions regarding the announcement of the transition of DSRL into Magnox. These questions had been collated and would be reviewed by the DSG business meeting and then issued to the site for response. He added that an invitation had been sent to the DSRL Board Chair to meet with members of DSG when next in the county.

## **9. ANY OTHER BUSINESS**

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

- He, alongside other DSG members, had attended a Caithness Transport Forum meeting where Chris Connelly, DA lead for Direct Rail Services (Nuclear Transport Services) had attended. The meeting was to discuss the long term socio economics of the Georgemas station and whether there was a legacy use for the crane. The meeting had been quite positive in terms of DRS looking at ways in which they could work in partnerships with others to establish a commercial freight line recognising there was a long way to go to ensure a freight route by rail was viable.

Roger Saxon noted it was interesting to hear DRS talk about DRS thoughts on using hydrogenated vegetable oil (bio fuel). He also added that he had noted that while DRS had been restructured under the Nuclear Transport Services they had kept their DRS brand and this was something that DSG members should bear in mind

when DSRL transitioned in Magnox.

Peter Faccenda noted that while he had not attended the meeting he had received feedback from Dave Calder (CNSRP Support Hub). He felt there was a need to consider changes to operating models to include multi modal use. As an example could bulk mail/deliveries be transported up by train and then using small hydrogen powered vans to distribute out to local areas. CNSRP would be holding discussions with DRS to look at potential areas where they could get involved in taking these type of projects forward.

David Swanson added that the trains changing over from electric to diesel was a temporary one which was affecting the whole of the UK (and wider). He had felt that the discussions with DRS had been a positive discussion and showed a willingness to continue discussions with other groups to look at the potential demand of the area.

Tor Justad noted some years ago he, along with other DSG members, had visited the Inverness depo and the operations to lift freight off the train was a rather simple one using a forklift. He wondered why Georgemas could not do something similar. David Swanson thought this could be possible. June Love noted that the original discussions had been on whether the crane at Georgemas was a benefit for other potential commercial opportunities and if this was not the case discussions on the long term future of the platform/crane would be up for discussion.

- Dave Alexander also noted he had attended, with June Love, a small working group of the NDA SSG Chair's forum looking the role of SSGs across the NDA estate. While the working group had been set up to agree the support required from the sites for SSGs it had also received the draft NDA guidance for SSGs to make comment on. Following receipt of the draft NDA SSG guidance, this had been circulated to all DSG members and feedback had been received. This had been collated into one document for discussion at the meeting held on Monday 18<sup>th</sup> October. It appeared that none of the other SSGs had circulated to their memberships to gather views and therefore a further meeting would be set up in order to give time for a collective view to go back to NDA.

Davie Alexander then invited Prof Ray Kemp to provide a short update on the progress of the DSG review that he was currently conducting.

- Professor Ray Kemp thanked the group for inviting him to the meeting and as part of his review observing the sub groups was useful to build up his knowledge of the working of DSG. Of note:
  - 17 one to one interviews had now taken place
  - A review of NDA and DSG documentation is being undertaken
  - Next steps would be to send out a general survey to those not spoken to directly for feedback.



- The feedback received from the 1:1 calls had been very interesting and there was a lot of commonality amongst the regulators and stakeholders with some very complimentary comments.
- It was surprising that several members had to be prompted in relation to the fact that the DSG role also covers Vulcan which had provoked him into thinking about how this should have focus looking forward.
- General impression at this point was that ‘if it is not broken there is no need to fix it’ but recognised there were some overlaps within the socio economic agenda and this would be considered within the draft report. In relation to socio economics he emphasised that there was a difference between “social value” and “socio economics” and these should not be confused.
- He was genuinely impressed with the work of DSG and the full range of topics covered in today’s meeting.
- It was expected that a draft report would be available towards the end of the year and he would discuss this with the business meeting so there would be no surprises. This would also allow final recommendations for the report to be made for DSG to work through. Prof Kemp expected that he would like to then come up early into the New Year to present his findings to the DSG membership.

Davie Alexander thanked Prof Kemp for his update and invited questions. Of note:

- Tor Justad asked whether Professor Kemp had a view on socio value in relation to socio economics.

Professor Kemp responded that the social value criteria could mean different things to different people dependent on community needs rather than UK wide needs. It was clear that MOD were mandated to include social value in their tender documents but this was completely different to the wider socio economic remit of NDA.

Davie Alexander agreed that the social value criteria for the Vulcan site needed to reflect community needs.

Peter Faccenda noted the difference between NDA and MOD with NDA having a legal duty under the Energy Act. MOD did not have this and were only mandated to bring in social value into procurement contracts.

It was generally noted that DSG felt it would be more useful for MOD to ask tenders to select the social value criteria they believe they could deliver under the framework of the decommissioning contract and that it would be important that there was a narrative around the criteria selected that tied in with contractor’s understanding of what is happening in the wider socio economic agenda for the

area.

It was also noted that these tenders would be considered and scored by people who did not live in the area and therefore it would be important to try to ensure local factors influenced the criteria that MOD apply.

There being no further discussion, Davie Alexander invited members to raise any other business. Of note:

- Cllr Struan Mackie noted the proposed boundary changes for UK MPs to cover. The Boundary Commission had put forward their proposal resulting in the Caithness, Sutherland and Ross-shire area being grouped with other regions (essentially everything north of Inverness). As with the local boundary proposed changes it would be important that community views are heard and he encouraged DSG and other groups to respond to these proposals. It was noted that if these proposals go ahead it really becomes an impossible task for one MP to cover such an expansive area. It was agreed by the DSG members that this would be taken forward.

## **10. 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**  
21 October 2021

**ACTIONS ARISING FROM THIS MEETING**

DSG/SESG(2021)M03/A01: Davie Alexander to write to Dave Wallace to progress action (M02/A007) re diagram of NDA Boards.

DSG/SESG(2021)M03/A02: June Love to send a prompt to Maree Todd re response to DSG letter on PSO for Wick/JOG Airport.

DSG/SESG(2021)M03/A03: Davie Alexander to write to Dave Wallace requesting that written updates be provided to the socio economic sub group for each meeting.