

**DOUNREAY STAKEHOLDER GROUP  
SOCIO ECONOMIC SUBGROUP**

**Minutes of the DSG Socio Economic Subgroup held on Wednesday 26 April 2023 at 1330 hrs in the Pentland Hotel, Thurso / via MS Teams.**

**Present:**

David Alexander	Wick and Thurso Trades Council (chair)
Peter Faccenda	Focus North Programme Manager (deputy subgroup chair)
Giles Huby	UHI North Highland
Trudy Morris	Caithness Chamber of Commerce
Sandy Mackie	Scrabster Harbour Trust
Gillian Coghill	Buldoos Residents Group
Cllr Struan Mackie	DSG Chair
Murray Lamont	North Highland Tourism

**In addition:**

Tina Wrighton	Stakeholder & External Relations Manager, Dounreay
Magnus Davidson	Socio Economics Manager, Dounreay
Jeremy Gilmour	SE Business Development, NDA
Dawn Clasper	DSG Minute Secretary, Dounreay
Elfriede Derrer-Merk	University of Liverpool

## **MINUTES**

### **1. WELCOME AND INTRODUCTIONS**

David Alexander welcomed attendees to the meeting including Elfriede Derrer-Merk who was at the meeting to present on a Social Research Study.

Before moving on, David Alexander noted that the DSG officials had been re-elected at the March AGM. The deputy sub group chairs were to be nominated and agreed at respective sub groups. He asked if anyone wished to be nominated for the role of deputy chair, noting that Peter Faccenda had indicated a willingness to continue in the role, unless anyone else wished to be considered. No other person put their name forward and Davie Alexander proposed Peter Faccenda which was seconded by Trudy Morris. Peter Faccenda will continue as sub group deputy chair.

### **2. APOLOGIES**

Apologies were received from:

- Ron Gunn CHAT
- Eann Sinclair HIE
- David Calder Head of Sustainability & Socio Economics
- Roger Saxon DSG Site Restoration sub group deputy chair

### **3. SOCIAL RESEARCH STUDY PRESENTATION**

Peter Faccenda introduced Elfriede Derrer-Merk University of Liverpool. He noted there have been discussions with Liverpool University on a project titled 'Defining a Draft for a Zero Power Reactor Experiment for Molten Salt Reactors'. As part of the wider research project, Elfriede is undertaking a piece of work into societal attitudes and experiences of communities living with a nuclear facility, although there is no direct link being made between the social experience and the development of a new reactor in Caithness.

Elfriede Derrer-Merk gave a presentation titled 'Historical, present and future impact of the nuclear industry in the community of Thurso and vicinity'. See Correspondence DSG(2023)C013 for the presentation.

David Alexander thanked Elfriede Derrer-Merk for her presentation and opened up to questions from members. The following summarises the main discussion points:

David Alexander noted that she was intending to conduct face to face interviews at the beginning of June and highlighted that the public meeting was being held on 7 June, and it may present the opportunity for potential interviewees to be available in person. Elfriede Derrer-Merk noted that she would like to attend the public meeting and offered to present the work again.

Peter Faccenda noted there are some assumptions in the text that do not match the current reality, for example the assumption that the area is in decline and losing population. The latest census number are due to be released shortly but his impression is that these population concerns may not be the case. Focus North are aware of development opportunities that could produce the opposite effect. These perceptions may inform the types of questions being asked.

Elfriede Derrer-Merk responded that she was very receptive to these inputs and that she is not looking at numbers, rather looking at individual experiences. She is happy to listen and take on opinions to help inform the research.

She thanked the DSG for the time and invited members to take part in the interviews.

David Alexander thanked Elfriede Derrer-Merk for her time and presentation. He noted that he would take this forward to the Business Meeting to decide if this was something to be presented at the public meeting.

Giles Huby noted that she is looking for the experience of individuals and some may feel it is in decline and others won't. Gillian Coghill agreed with Giles comment that there may be different feelings on these issues. Peter Faccenda finished with noting it would be interesting to see what the results are.

Elfriede Derrer-Merk left the meeting.

#### **4. MINUTES OF PREVIOUS MEETING**

David Alexander noted that the minutes of the last meeting – DSG/SESG(2022)M004, January 2023 – had been endorsed at the public meeting held in March 2023. He invited members to raise any issues. No issues were raised.

#### **5. STATUS OF ACTIONS**

David Alexander noted that the status of actions had been circulated to members in advance of the meeting. Of note and relating to the socio economic subgroup the following actions were discussed.

- DSG/BM(2023)M004/A001: Cllr Struan Mackie to write to Mark Rouse regarding long term outstanding actions.

Cllr Struan Mackie noted this would be issued later today. He noted that this was due to some actions not being actioned in a timely manner and receiving verbal updates in standalone meetings, where the requirement is for a formal written response.

Tina Wrighton noted that we have now closed out all actions with formal written responses.

- DSG(2023)M01/A05: Cllr Struan Mackie to investigate what was discussed regarding nuclear isotopes in return for the US fuel shipments: Action ongoing
- DSG/BM(2023)M003/A001: Cllr Struan Mackie to write to Commodore Elton Sharkey and Scottish and UK Governments. Action ongoing.

Cllr Struan Mackie that these were in hand and would be completed shortly.

## 6. DOUNREAY COMMUNITY FUND REQUESTS

David Alexander noted that the Community Fund report had been circulated in advance. He reminded members to declare any conflicts of interest prior to discussion on any of the applications. No conflicts were recorded.

Funding applications were reviewed, decisions were made on each application.

**Action: DSG/SESG(2023)M01/A001: Magnus Davidson and Dawn Clasper to look at the Dounreay Community Fund application form.**

## 7. DOUNREAY SOCIO ECONOMIC ACTIVITIES

David Alexander stated that a written update had been provided - DSG(2023)P010. Magnus Davidson, Socio Economics Manager, was invited to provide key highlights from the paper.

The following update was provided by Magnus Davidson. Of note:

- Dounreay joined Magnox Ltd on 1 April 2023. There are no changes envisaged for the Dounreay socio economic activity in 2023/24.
- The NDA are currently developing a new socio economic strategy. Dounreay and other operating companies' socio economic teams are involved in the process. A new Dounreay socio economic strategy is also being developed. The DSG will be consulted throughout the process for both.
- Focus North relaunch event was held on February where Magnus Davidson presented an overview of Dounreay socio economic activities.
- At the end of financial year 2022/23 Dounreay had utilised 98% of the annual socio economic budget with new projects funded last quarter:
  - RBLs Thurso club refurbishment of the main hall £27,000
  - Home-Start Caithness part funding for supporting volunteer recruitment and development of space £58,000
  - Forss Straight Gateway Signs and Study gateway signs and associated study in speed reduction £18,655

- Friends of the Far North Baths repair of the walkway to allow access repairs and maintenance £4,650
- Thurso High School STEM Kits purchase of 15 Lego Spike Prime Kits for S2 pupils £4,739
- Magnus Davidson and Iain Darby attended a workshop in February on a prospective UK Research and Innovation funded Nuclear Decommissioning Research Centre. It would be UK wide encompassing a broad range of skills and research. Fuel Cycle Areas have been identified as one area of interest and there may be opportunity for Dounreay to work with the academic community to innovate on FCA decommissioning.
- The Socio Economic team have been working closely with the Commercial team to develop practices on social value from procurement at Dounreay.
- In the last quarter Dounreay awarded six contracts to Caithness suppliers with a value of £1.33M. Three contracts placed are as a result of using the Reserved Procurement for Caithness route to market.
- There have been a number of STEM events this quarter. There is ongoing work being undertaken by Focus North and a private sector company on skills and talent attraction and there is an opportunity to develop STEM activity in line with the results of the work, and in conjunction with local schools and UHI North Highland.
- Recruitment continues with Dounreay early careers. Graduate recruitment is now complete with apprentice interviews being undertaken.
- There have been a number of visits to site by the DSG.
- Roz Foyer Scottish Trades Unions Congress General Secretary visited site to meet with Senior trade union reps, Exco and the Sustainability and Socio Economics team on 16 March.

Giles Hubby noted that the college will be recruiting a STEM coordinator. This will be funded by offshore wind developers; these are being recruited across the UHI.

Magnus Davidson noted that the NDA are also undertaking a STEM strategy review and cascade this through Dounreay STEM work.

Sandy Mackie noted the number of business and construction apprentices available.

**Action: DSG/ESG(2023)M01/A002: Magnus Davidson to find out the number of Business and Construction apprentices.**

Cllr Struan Mackie noted that Dounreay part funds the North Coast Visitor Centre (NCVC) through socio economic grant funding and asked what is involved in the reporting of this and it was possible to see the success of investment of Dounreay and High Life Highland.

Magnus Davidson responded that he has been reviewing the reporting, however due to his relatively recent appointment David Calder was the point of contact at the previous reporting period. He noted that that covid had likely had an impact at the start of the project and that may impact at the end of the project, which will be taken into consideration. He is due to meet with the NCVC to identify targets for the following year.

Cllr Struan Mackie noted that any discussions on potential future financial support of the NCVV would need to happen as soon as possible before the funding is completed.

David Alexander noted that Ron Gunn had written to him regarding the school bus from Scrabster as the children in Scrabster are just outside the three mile limit and do not qualify. A local provider, Aarons of Wick, had indicated that they were awaiting the outcome of Dounreay's procurement of bus services on whether the provider could aim to provide a service.

Magnus Davidson updated that there had been two procurements relating to the Dounreay bus service. The first failed due to the type of procedure, a competitive dialogue, as it required three bids, with only one bid received. The second procurement, an open procedure, has resulted in one bid, this is in the final stages of clarification, this will go to the Dounreay Executive team for a decision. If successful it would run from 1 August.

Trudy Morris noted that our bus services are reliant on the Dounreay and Highland Council contracts, and services are built around those. Therefore, when the dynamics change we lose services, and this is what has happened with changes to the Highland Council contracts. We are in a situation where there is inconsistency, she noted that a joint timetable is due to come out soon with all commercial services that the different companies are running. Focus North and the Caithness Transport Forum (CTF) are looking to complete a demand study for Caithness and Sutherland and are in the process of working with a consultant to pull together a scope of work.

Cllr Struan Mackie noted that this was discussed at the Business Meeting and noted that the national programme which was rolled out by Scottish Government means that people under a certain age get free transport. If there is a quasi-commercial activity going by the school, the council no longer has to pay for this it can be done through the national concessionary card scheme. He was happy to hear that the CTF and Focus North were working on this.

Peter Faccenda noted it was challenging when there are low volume routes of activity and in a quasi-commercial situation where two competing bus providers are competing it can make both routes commercially unviable, he indicated we need more collaboration and as a third party Focus North may be able to make it work for everybody.

Jeremy Gilmour noted that the Spaceport funding has been confirmed and work is due to start this week. He also noted the NDA are starting a strategy review on their socio economic work and they would be consulting with the DSG to see what they expect in this. This will be in the coming 6-9 months.

Magnus Davidson noted that with Spacehub Sutherland being funded, and part of that funding coming from the NDA, there is now a constraint on new NDA funding for elsewhere in the local area. This will result in a higher number of applicants, especially those seeking higher values of funding, from Dounreay socio economic funding, which will result in a highly pressurised fund over the coming years.

## **8. FOCUS NORTH UPDATE**

David Alexander noted that a written Focus North update had been provided – DSG(2023)P013. He invited Peter Faccenda to provide key highlights from the paper.

Peter Faccenda noted that the action programme is what they are currently working on:

- Spacehub Sutherland is being part funded by HIE and the NDA. Focus North and partners see opportunity for attracting space related business into the region. A new Business Development Manager is due to start shortly, who will work closely with businesses on this.
- Three key areas of current work, informed by stakeholder engagement, are :

- Transport, particularly related to employment and making the area easier to do business in. They are working closely in support of the PSO at Wick Airport. He noted there is a place based pilot initiative funded by the Scottish Government, and it has been identified as a possible source of funding for transport related work.
- Talent attraction, retention, and development with having the right people with the right skill to undertake work that is currently in place and the pipeline of work coming forward. Jacobs are doing some consultancy work to develop a view on what these stands of activities will look like as part of their commitment to the region. They should have an action plan with several initiatives underway in June.
- Enhancing the digital economy, they are forming a group to deal with this and should see actions from this in the coming months.

He noted that they are undertaking a campaign to raise the profile of the area. He recently authored an article on a 'Just Transition' for the Press & Journal that was aimed outward, framing the area as important to the nation. He is also planning to do some work at both Holyrood and Westminster, to raise the regional profile, and are working with closely with the marketing consultancy 3X1.

The key performance indicators are being developed and set against themes such as employment growth, increase skilled workforce, and sustainability in addition to partnership effectiveness.

David Alexander thanked Peter Faccenda for his updated and invited questions.

Sandy Mackie asked if the talent attraction element is based on identifying the skills that are required going forward or does it include potential supply and demand elements. For example, Dounreay has not yet finalised its routemap so there will be vital information missing for this piece of work.

Peter Faccenda noted that Jacobs are working closely with Dounreay. He also highlighted that we are almost at full employment within the region, and we have skills shortages in key areas. The aim is to identify and attract skilled people into the region and to also grow talent in the area through activities like STEM.

Trudy Morris noted it is recognising and identifying the interventions.

Peter Faccenda agreed and noted the importance of Dounreay's road map being set out clearly.

David Alexander suggested that when we speak about apprentices in skills and training you automatically assume engineering. Apprenticeships now cover a wide range of business operations.

Peter Faccenda agreed that other qualification can be achieved though apprenticeships now.

Giles Huby noted that many do default to technical apprenticeships however the college has business, hair and beauty, hospitality apprentices, to name a few. He highlighted that in addition to Dounreay requirements there are also those of other sectors. Some work is being developed with Skills Development Scotland and the Energy Skills Partnership on the renewables sector and this can be compared against Dounreay requirements when completed.

Peter Faccenda agreed and highlighted big offshore wind developments including the West of Orkney development and the Pentland Floating wind farm. These are long term projects with a well-developed project plan and will invest in infrastructure to support that. Coordination is needed to match that with the region's requirements.

Magnus Davidson noted that it was of interest that the pipeline of offshore wind and the lifetime of offshore wild farm, means that in many cases the apprentices that will train on

these wind farms are not yet born, which gives a long as well as short term perspective on skills requirements.

David Alexander thanked Peter Faccenda for his update.

## **9. CORRESPONDENCE SINCE LAST MEETING**

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

- DSG(2023)C011: Letter to Andrew Bowie MP

Cllr Struan Mackie noted that the letter congratulated him in his new role as Minister responsible for nuclear and this overlaps in scope with work that the DSG undertakes.

Tina Wrighton noted that he may be visiting site in the beginning of June

- DSG(2023)C012: Vulcan response to DSG Action DSG(SESG(2022)M02/A004

David Alexander noted this is a response to action DSG(SESG(2022)M02/A004.

Cllr Struan Mackie noted it is useful that they have acknowledged Full Time Equivalence (FTE) in the workforce and supply chain. As Vulcan are beginning their decommissioning journey, he thinks it strengthens their case to articulate the value that they bring. He hopes, as an elected member, to go into dialogue with members of Parliament and agencies to highlight the value of the work in the local area and the retention of GDP required when fully decommissioned. Having figures available is a core requirement to allow him to ask about mitigation of work decommissioning.

Jeremy Gilmore asked for clarity what was the similar work done for Dounreay.

Magnus Davidson noted that this was the MACE Dounreay socio-economic report.

Peter Faccenda notes that when they produced the MACE report they added an addendum to get an update on the activities of CNSRP and that of Vulcan.

Magnus Davidson noted that the monetary value from the Dounreay report, scaled to the FTE equivalent as a multiplication factor, could give an indication of the values required for Vulcan going by Cdr Walker's response.

Pete Faccenda noted that if the NDA took ownership of Vulcan, we would have similar access to information as we have with the MACE report. Jeremy Gilmore noted that this would be in their provision, and they would have to acknowledge a liability and cost.

David Alexander noted DSG(2023)C014: Letter to DSG re Dounreay Magnox joining was for noting.

## **10. ANY OTHER BUSINESS**

Prior to opening up to members, David Alexander noted the following:

- He noted the Nuclear Decommissioning and the Managements of Radioactive Substances consultation. Peter Faccenda, Roger Saxon, and Gillian Coghill are working thorough the consultations. There will be a response by DSG.

He noted that he attended a meeting, with Cllr Struan Mackie where a presentation from the Department for Energy Security and Net Zero on the consultation, there were a number of questions raised and looking for areas of support.

- He noted that the DSG are currently working on the Draft Energy Strategy and Just Transition Consultation also.
- Gillian Coghill noted that JCG has been taken over and was concerned that a local supply chain company has been taken over by a company based in Manchester.
- David Alexander noted that he has asked for an organisational chart for Dounreay/Magnox. He was disappointed that there was no organisational chart available.

**Action: DSG/SESG(2023)M01/A003: Tina Wrighton to request a Dounreay/Magnox organisational chart.**

There being no further business, David Alexander thanked everyone for attending and formally closed the meeting.

David Alexander  
DSG Socio Economic Sub Group Chair  
11 May 2023

#### **ACTIONS ARISING FROM THIS MEETING**

DSG/SESG(2023)M01/A001: Magnus Davidson and Dawn Clasper to look at the Community Fund application form.

DSG/SESG(2023)M01/A002: Magnus Davidson to find out the number of Business and Construction apprentices.

DSG/SESG(2023)M01/A003: Tina Wrighton to request a Dounreay/Magnox organisational chart.