

**DOUNREAY STAKEHOLDER GROUP
SOCIO ECONOMIC SUB GROUP**

Minutes of the DSG Socio Economic sub group meeting held on Wednesday 24 January 2024 at 1330 hours in the Pentland Hotel and Microsoft Teams.

Present:	David Alexander	Thurso and Wick Trades Council (chair)
	Roger Saxon	DSG Site Restoration sub group deputy chair
	Trudy Morris	Caithness Chamber of Commerce
	Cllr Struan Mackie	Highland Council (DSG Chair)
	Peter Faccenda	Focus North
	Gillian Coghill	Buldoe Residents Group
	Cllr Michael Baird	Highland Council
In addition:	Magnus Davidson	Socio Economics Manager, NRS Dounreay
	Jeremy Gilmour	Head of Community & Economic Development, NDA
	Tina Wrighton	Stakeholder & External Relations Manager, NRS Dounreay
	Dawn Clasper	DSG Minute Secretary, NRS Dounreay
	Ferne Mill	Administrator Communications, NRS Dounreay

1. WELCOME AND INTRODUCTIONS

David Alexander welcomed everyone to the meeting.

2. APOLOGIES

Apologies were received from:

- Sandy Mackie, Scrabster Harbour Trust
- Murray Lamont, North Highland Tourism
- Ron Gunn, CHAT
- David Calder, Head of Sustainability & Socio Economics, NSR Dounreay

3. MINUTES OF PREVIOUS MEETING

David Alexander noted that the minutes of the last meeting - DSG/SESG(2023)M003, October 2023 – had been endorsed at the public meeting held in December 2023. He invited members to raise any issues from the minutes. No issues were raised.

4. 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 sub group the following actions were discussed.

- DSG/PM(2023)M04/A001: DSG to look into medical isotopes. **Ongoing**

- DSG/PM(2023)M04/A002: Mac MacGill to share the resource profile with the Site Restoration sub group. **Ongoing** – An update will be provided at the Site Restoration sub group.
- DSG/PM(2023)M04/A004: Mac MacGill to provide emergency on-site plan to DSG site restoration subgroup. **Ongoing** – An update will be provided at the Site restoration sub group.
- DSG/BM(2023)M019/A001: Cllr Struan Mackie to write to Association of Caithness Community Councils to give a presentation on what the DSG does at the next meeting. **Ongoing**

5. DOUNREAY COMMUNITY FUND REQUESTS

David Alexander noted that the Community Fund report has been circulated in advance. He reminded members to declare an interest if there was any involvement from members in these projects.

Funding applications were reviewed, decisions and further clarifications were agreed on each application.

6. DOUNREAY SOCIO ECONOMIC ACTIVITIES

David Alexander stated that a written update had been provided – DSG/SESG(2023)P041. Magnus Davidson, Socio Economic Manager, was invited to provide key highlights from the paper.

Magnus Davidson and David Calder met with Supt Lynsay Hernandez to discuss the CNC and Dounreay's socio economic work. He noted this was a constructive meeting and there should be positive outcomes from complementary activities, it was also helpful to understand the aspiration CNC has for development activities in the area, in addition to the positive contribution they already bring to the north.

Magnus Davidson provided an update on the Socio Economic Annual Review for 2022/23:

- Dounreay is a major purchaser of goods within the local supply chain almost £1 in every £3 spent within the supply chain went to an SME.
- Dounreay site employs 1283 employees, with 700 supply chain workers.
- The NDA has committed £3m multiyear funding to Sutherland Spaceport. Nucleus, the nuclear and Caithness Archive with an ongoing spend of £4m to £4.5m in Caithness.

Magnus Davidson invited questions from member on the Socio Economic Annual Review. Of note:

Trudy Morris noted the report talks about the supply chain spend and 12 of the top 20 suppliers having a local base in the area. She asked how much was spent in the area. Magnus Davidson noted he would have to go back to the Commercial team to find this information on an annual basis.

ACTION: DSG/SESG(2023)M04/A001: Magnus Davidson to ask Commercial for the spend for local SME's.

Gillian Coghill noted that there are differences in the report to numbers previously provided to the DSG.

Magnus Davidson noted that previous figures supplied to the DSG were an estimation of hotel costs, that is the basic costs of running the site, from an example of during Covid lockdown. This cost encompasses areas like staff costs and some supply chain spend, such as security.

Therefore, the hotel costs previously supplied to the DSG were composed of various different categories of spend outlined in this report and could not be directly compared. This report did not display the hotel cost figure previously provided to the DSG.

David Alexander noted that it could be interpreted from the figures that there was not a significant sum of money for decommissioning with the supply chain.

Gillian Coghill asked if it was an exact analysis, and if this was independently done, and where the breakdown of £1 in every £3 is spent locally. She also expressed a further interest in understanding how the reported numbers corresponded with hotel costs previously supplied.

Magnus Davidson responded that specific GVA and economic impact numbers were taken from a report completed by MACE in 2022, which included data provided by Dounreay and the NDA. Other figures were compiled internally by Dounreay, with a small number coming from the NDA.

Jeremy Gilmour highlighted he had done work on this for other operating companies and noted that hotel costs can be defined differently by different people, some of these costs are required to keep people employed on site, others include regulator costs, site safety and site security. These are pre-requisites for decommissioning. He committed to bringing the knowledge from other sites into the understanding of the costs at Dounreay.

Cllr Struan Mackie highlighted that he would find it useful to get a settled definition of what these costs are to allow the DSG to take an informed position.

David Alexander noted that this issue has taken up a lot of time over previous meetings and it would be useful to get a definitive answer.

Magnus Davidson emphasised that this is a report for the general public communicating Dounreay's socio economic impact. The discussion that has ensued suggests that an alternative assessment of the figures, and that further analysis, would need to be undertaken to align the reports outputs to how the DSG had previously received information on costs.

ACTION: DSG/SESG(2023)M04/A002: Magnus Davidson, Jeremy Gilmour and Tina Wrighton to breakdown the hotel cost and provide a definition.

Cllr Struan Mackie thanked Magnus Davidson for the report and agreed that this was a report for the wider public and highlighted the importance of the press coverage for the community.

David Alexander welcomed Cllr Michael Baird Highland Councillor for North, West and Central Sutherland to the meeting.

OFFICIAL

Endorsed on 20 March 2024

Magnus Davidson commenced with the following from the update DSG/SESG(2023)P041:

- NDA Social Impact and Communities Strategy consultation will close on 21 February 2024. The DSG and Focus North have inputted in to the draft consultation through stakeholder meetings in June 2023, and have been asked to formally respond.

Jeremy Gilmour noted that they took into account what was discussed in the stakeholder meetings held in June 2023 and this is included in the draft strategy. He encouraged groups or individuals to respond if there was anything in the strategy or have further emphasis on and were looking forward to receiving feedback.

- Dounreay has completed a draft socio economic strategy, the draft was deferred into FY 2024/25 to align with Group Key Targets. The DSG will be given the opportunity to consult.

Roger Saxon noted that he was aware of an issue with the socio economic funding application platform and that the site was down for maintenance, he asked if the strategy was holding this maintenance up.

Magnus Davidson responded that here were some technical issues estate wide with the application site and invited Jeremy Gilmour to provide additional context.

Jeremy Gilmour apologised for the issues and noted the application forms are hosted by an external company who experienced, what looked like, but may not have been, a cyber-attack. To make sure that personal information was secure the third party provider disabled the website and notified the NDA, this has now been resolved and noted that it had slightly slowed down the rollout of the short form.

- Dounreay continue to work with different groups and in the previous quarter four projects were funded.
 - Taste North an event delivered by Venture North.
 - The Laurandy Centre for fencing for the development of a well-being garden.
 - Dunbeath and District Centre for core funding for an operational growth manager and the future of the jigsaw project.
 - Caithness Seal Rehab & Release Centre for the refurbishment of a building to provide a food preparation room with a lab station.

Gillian Coghill commended the awards to the Laurandy Centre and Dunbeath and District Centre.

- The Dounreay Socio Economic team visited north Wales where there was cross learning from other areas. Focus North will also visit the area in the near future on a fact finding trip.
- STEM events and activity are still ongoing.

Roger Saxon asked if there was still a benefit from the Newton Room. Peter Faccenda responded that it was still being used, however there are some challenges. Magnus Davidson noted that the funding for the Newton Room came from the city region deal, which is now complete, and that he had been in discussion with the Science Skills Academy on future funding.

OFFICIAL

- Dr Linda Ross, Keele University and Dr Dominic Hinde, Glasgow University visited Dounreay in December to learn about stakeholder engagement and energy transitions in light of Scotland transitioning to net zero.

7. FOCUS NORTH UPDATE

David Alexander noted that a written update had been provided – DSG/SESG(2023)P038. He invited Peter Faccenda to provide key highlights from the paper.

The following update was provided by Peter Faccenda. Of note:

- Focus North has secured £30k of funding for some initial peatland training. This is a trial between NatureScot, UHI and Focus North.
- The Jacobs report recommended the need to engage with incoming developers. A meeting has been arranged for the 29 February with developers to discuss what the business needs are.
- Transport for employment the Urban Foresight study has been concluded. Focus North will investigate to see what a pilot will look like and what route it will cover.
- Spaceport Sutherland is still ongoing with an expectation of a first launch during 2024.
- Low carbon energy transition centre part of the discussions and the industry is going the be important on what this will look like in terms of innovations and research. A visit to MSPARC Science Park near Anglesey is planned to help inform potential solutions.
- Peatland Restoration study is complete, a report will be published shortly. Peter Faccenda noted he supports Flow Country Green Finance Initiative (FCGFI) to attract private investment into this project.
- The Focus North conference will be held on 19 March 2024, invitations will be issued shortly.

David Alexander thanked Peter Faccenda for his update and invited questions from members. Of note:

Gillian Coghill commented that the peatland restoration project would be a great opportunity for private investment as companies want to be green. She noted that there would be a range of jobs available for future generations who want to work in environmental roles.

8. CORRESPONDENCE SINCE LAST MEETING

David Alexander noted there was no correspondence at this time.

9. ANY OTHER BUSINESS

- David Alexander noted that Roz Foyer, STUC, will have a column in The Herald and wanted to focus on Caithness and North Sutherland.

David Alexander opened to members.

OFFICIAL

Endorsed on 20 March 2024

- Gillian Coghill noted the redesign on the NHS hubs in Wick and Thurso and the redesign of Caithness General Hospital and there is no money for capital expenditure which will deplete the buildings and make them not fit for purpose.

Roger Saxon noted that they are stating this is a pause and when it does come back it will never be the same and they won't have the same contractors and people.

David Alexander noted that this is all key for socio economics and it will never happen.

Cllr Struan Mackie expressed his disappointment and noted that this was discussed at the Business meeting yesterday and the same thoughts were raised. Hopefully there will be some robust community action coming from Caithness and Sutherland. The DSG is in tune with thoughts and feelings of the wider community.

Cllr Michael Baird read the open letter in full of Cllr Gunn and Cllr Gale. It was agreed by members that it was a hard hitting letter and they agreed with the sentiment.

Trudy Morris asked if this could be shared, as she had an online meeting with the Transport Minister tomorrow 25 January.

Action: DSG/SESG(2023)M04/A003: Cllr Michael Baird to share the open letter to be distributed to the DSG members

- Trudy Morris noted the Chamber of Commerce was hosting an online meeting with the Transport Minister on the 25 January. There will be questions regarding the PSO and transport study in terms of what funding is available and EV infrastructure.
- Cllr Struan Mackie noted that the UK Government has published the Civil Nuclear Pathway 2050 through DEZNES. He noted it was unlikely to change with any change of government; 3 types of reactors that are proposed for the SMR designs and advanced modular designs - it was interesting there was a piece on UK fuel cycle that the NDA plays a role in and trying to cut out the reliance on the Russian economy there is investment in the supply chain
- Cllr Michael Baird noted there was a FOI re how many times the CNC had helped the police over the years 2019 to present.

10. CLOSE

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

David Alexander
DSG Socio Economic Sub Group Chair
5 February 2024

OFFICIAL

ACTIONS ARISING FROM THIS MEETING

DSG/SESG(2023)M04/A001: Magnus Davidson to ask Commercial for the spend for local SME's.

DSG/SESG(2023)M04/A002: Magnus Davidson, Jeremy Gilmour and Tina Wrighton to breakdown the hotel cost and provide a definition.

DSG/SESG(2023)M04/A003: Cllr Michael Baird to share the open letter to be distributed to the DSG members