



## **DOUNREAY SOCIO ECONOMIC UPDATE**

*current as of 15 January 2024*

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### **Dounreay Socio Economic Annual Review**

The 2023/2024 Dounreay Socio Economic Annual Review is complete, and a copy has been circulated to the sub group.

### **Dounreay Socio Economic Strategy**

As previously reported, Dounreay has developed a draft socio economic strategy. This draft has been deferred to align with Group Key Target requirements for 2024/25. Consultant led work has part-concluded in development of an NRS approach, of which the draft Dounreay strategy will be aligned where appropriate.

The strategy will be shared with the DSG for consultation and then published during this quarter (Q4).

### **Socio Economic Benefits Realisation**

Work is nearing completion on socio economic benefits realisation of the new lifetime plan. Dounreay are aiming to present the results of the work to the DSG Socio Economic Sub Group at the end of this quarter (Q4).

### **Grant funding**

Dounreay continues to provide pre-application support for socio economic funding. Several groups and organisations are in active discussion on potential funding for 2024/2025 and 2025/26.

It is expected that Dounreay will distribute the full socio economic budget by year end.

The continued status of socio economic grant funding activities is recorded in Appendix 1, with new projects funded in the previous quarter found below:

- FR000002596 - Home Start Caithness - £48,000 – 3 yr project.
- FR-000002597 Phase 3 – Wick River Campsite (Wick Development Trust) £125,000 - <1yr project.

Dounreay is frequently audited on the socio economic grant funding process, with draft results of the most recent audit delivered by the NDA in December. Audit keeps the programme of activity compliant with NDA owned guidance, terms, and

conditions, and the Dounreay socio economic team will now implement any areas identified for improvement.

### **Other socio economic activities**

- Dounreay has been undertaking extensive work to mitigate risk associated with UK Subsidy Control Regime identified in the previous report. External legal advice and close working with stakeholders, particularly Highlands and Islands Enterprise, has proven valuable. Dounreay and the NDA are engaging directly in the development of a specific subsidy scheme with the Highlands and Islands Regional Economic Partnership.

### **Procurement**

The following financial figures are for Q3 2024/2025, with the number of companies cumulative for Q1, Q2, and Q3. It should be noted that they do not sum to any total.

- Total Spend £30.2M, including mandatory spend.
- £22M is non mandatory and non-utility.
- £4.8M is with 50 (YTD) companies that are Caithness owned.
- £7.5M is with 12 (YTD) companies with Caithness resource\*.
- £12.3M of the £22M is spent with Caithness owned or resourced suppliers.
- £8.7M is with 360 (YTD) SME suppliers (including Caithness SME).

\*Includes some mandatory spend. (YTD = year to date).

Dounreay expects to exceed 2023/2024 spend with Caithness owned companies as Dounreay is close to reaching last year's spend (£10.7M) in this category at the end of Q3 (£10.4M). This spend endorses the reserved procurement processes as a means for local companies to capture Dounreay work.

The socio economics team, working with the commercial team, continue to improve how Dounreay sets, assesses, and monitors social value across in scope procurements. Dounreay continues to manage social value commitments from procurement.

### **Staffing**

Recruitment continues to be carefully managed. Dounreay shares full details of all internal and external recruitment with the DSG Business Group to ensure transparency. Updates were provided in October, November and December during this quarter. Of note:

- 20 Vacation Students for Summer 2025
- 13 Engineering Craft Apprentices – 7 Electrical, 3 Mechanical, 3 C&I
- 2 Engineering Design Apprentices – 1 Mechanical, 1 E,C&I

- 2 Construction Apprentice – 1 Scaffolder, 1 Painter
- 4 Business Administration Apprentices
- 2 Project Management Apprentices

## **STEM**

Dounreay has an ongoing review of how STEM provision is supported, with the aim of improving and enhancing support, building on existing initiatives in the area.

Activity in the quarter:

- Engineering Industry Day successfully held on 3 December 2024 with 64 senior phase pupils from Wick, Farr and Thurso High School attending
- NRS Dounreay's ambassadors supported mock interviews at Wick, Farr and Thurso High School
- Continue to work with partners to deliver First Lego League Challenge North Highland Tournament on 18 March 2025
- Ongoing preparation for the Goblin Car Project. 4 cars will be built at 3 schools; Miller Academy Primary School, Pennyland Primary School and Lybster Primary School. NRS Dounreay engineers and apprentices are supporting the project

## **Visits to Dounreay**

- NDA Board Visit

**Magnus Davidson,**  
**NRS Dounreay Socio Economics Manager**  
**15/01/2025**

## Appendix 1

### Rolling status of socio economic grant funding activities

Funded Project	Completion date	Progress	Comments
FR-000001122 CNSRP (Focus North) support hub	30 March 2025		Funding commitment: 3 years Total cost: £487,000 Yr 3 (24/25): £154K with a carry over of £26.6K from the previous year.  A total of £96.9K has been committed with the finalisation of plans for the remaining balance. Talks are due to commence on a follow up tranche of support hub funding.
FR-000000: Caithness Transport Forum	31-Mar-2027		Funding commitment: 3 years Total costs: £30K Yr 1 (24/25): £10K  £10K paid to date.
FR-000002305 Focus North Programme Manager	31-Mar-2027		Funding commitment: 3 years Total costs: Up to £124,830K Yr 1 (24/25): Up to £40K  £29k paid to date.
FR-000001071: Transport for Tongue	31-Mar-2025		Funding commitment: 3 years Total costs: £30K Yr 3 (24/25): £10K  £30K paid to date.
FR-0000001170: PSO Contract Manager	31-Mar-2025		Funding commitment: 3 years Total costs: £90K Yr 3 (24/25): £30K  £82.5K paid to date.
STEM activities	N/A		Funding commitment: ongoing Total annual cost £25k  £17K paid to date
Dounreay Community Fund	N/A		Funding commitment: ongoing Total annual cost £25k  £25k paid for 2024/25
FR-000001945 Wick Development Trust	01/05/2024		Funding commitment: 2 years Total Cost £80k Yr 1: £40k  £80K paid to in Yr 1 due to requirement for funding.
FR-000001935 John O'Groats Mill	30/04/2025		Funding commitment: 2 years Total Cost: £100k Yr 2: £50k

Funded Project	Completion date	Progress	Comments
			£100k paid to date.
FR-000001933 Ormlie Community Association	30/09/2026		Funding commitment: 3 years Total Cost: £60k Yr 1: £20k  £20k paid to date.
FR-000001922 Farr North Development Trust	01/04/2024		Funding commitment: 1 year Total Cost: £10k Yr 1: £10k  No funding paid to date. A change in circumstances of the project has suggested it may not go ahead, has been deferred into 2024/2025 with ongoing communication with applicant.
Dunbeath and District Centre	31/12/2026		Funding commitment: 3 year Total Cost: £ 149,630 Yr 1: £24,938  £24,938 paid to date
Caithness Business Fund	31/03/2025		Funding commitment: 1 year Total Cost: £100k (£50k NDA, £50k Dounreay) Yr 1: £100k  £100k paid to date
North Highland Initiative	31/12/2024		Funding commitment: 1 year Total Cost: £30k (£15k NDA, £15k Dounreay) Yr 1: £30k  £30k paid to date
Rumster Outdoor Centre	31/07/2025		Funding commitment: 1 year Total Cost: £43,000 Yr 1: £43,000  £43,000 paid to date
Science Skills Academy Newton Room Thurso	01/06/2027		Funding commitment: 3 year Total Cost: £128,000 Yr 1: £42,666.67  £0 paid to date – HIE and NRS Dounreay are in further discussions regarding the terms and conditions set out in the grant agreement.
Industrial Caithness (Sidh Chailleann Art)	31/03/2025		Funding commitment: 1 year Total Cost £12,010  £7k paid to date
North Coast Visitor Centre (Highlife Highland)	31/10/2027		Funding commitment: 3 year Total Cost £265,000  £0 paid to date
Melness Church Purchase (Melness Crofters Estate)	01/02/2025		Funding commitment: <1 year Total Cost: £1,250  £0 paid to date
Cala Sona Business Plan (Melness Crofters Estate)	01/02/2025		Funding commitment: <1 year Total Cost: £1,250

Funded Project	Completion date	Progress	Comments
			£0 paid to date
Scottish Surfing Championships (Scottish Surfing Federation)	20/04/2025		Funding commitment: <1yr Total cost: £10,000  £0 paid to date
Taste North Food and Drink Festival (Venture North)	30/11/2024		Funding commitment: <1yr Total cost: £10,000  £10,000 paid to date
Community Plan and Delivery (Thurso Community Development Trust)	30/09/2027		Funding commitment: 3 yr Total cost: £200,000  £0k paid to date