

**DOUNREAY STAKEHOLDER GROUP
SOCIO ECONOMIC SUB GROUP**

DSG/SESG(2018)M004

Minutes of the DSG Socio Economic Sub Group meeting held on Wednesday 31st January 2018 at 1330 hours in the Pentland Hotel, Georgina Suite, Thurso.

Present:	Derrick Milnes	Wick and Thurso Trades Council (Chair)
	David Flear	Honorary Member, DSG (Deputy Socio Economic SG Chair)
	Roger Saxon	DSG Chair
	Alistair MacDonald	Honorary member, DSG
	Ronnie Johnstone	Church of Scotland
	Trudy Morris	Caithness Chamber of Commerce
	Sandy Mackie	Scrabster Harbour Trust
	Eann Sinclair	CNS Regeneration Partnership
In attendance:	Dawn Clasper	DSG Minute Secretary, Dounreay
	June Love	Dounreay Socio Economic & Stakeholder Relations Manager
	Anna MacConnell	NDA Socio Economic & Stakeholder Relations Manager
	Ron Gunn	CHAT (Observer)

MINUTES

1. WELCOME AND INTRODUCTIONS

Derrick Milnes welcomed everyone to the meeting. He welcomed Ron Gunn representing CHAT who was observing the meeting. CHAT has applied for DSG membership, and the DSG Business meeting had thought it would be worthwhile to invite Ron to observe the meeting to see whether membership of the DSG would add benefit to their forum in terms on socio economic arguments for continuing to engage with NHS. Derrick Milnes intimated that he would come back at the end of the meeting to allow Ron Gunn to make comment.

2. APOLOGIES

Apologies were received from:

-) Cllr Matthew Reiss
-) Bob Earnshaw
-) Debbie Gray
-) Struan Mackie

3. MINUTES OF LAST MEETING

Derrick Milnes noted the minutes of the last meeting - DSG/SESG(2017)M003 - had been circulated to members in advance of the meeting. The minutes were accepted as a true reflection of the meeting. This was proposed by Eann Sinclair and seconded by Alistair MacDonald .

No issues were raised from the minutes.

4. STATUS OF ACTIONS

Derrick Milnes noted that an updated status of actions had been circulated to members in advance.

-) **DSG(2017)M004/A010:** Anna MacConnell, NDA to provide report on SME spend across the NDA estate when available. **Action ongoing:** will be available around May 2018.
-) **DSG(2017)M004/A013:** Roger Saxon to write to local councillors requesting an update on the proposed Town Centre Improvements projects. **Action Complete.**

June Love noted she had received a copy of the minutes referencing the Town Centre improvements which was held on 12th December.

-) **DSG(2017)M004/A020:** Mark Raffle, NDA Programme Manager to provide the NDA's yearly budget for socio economics and the spend broken down into regional areas. **Action ongoing:** Anna MacConnell to provide information from 2013 to current. This will be provided before the next public meeting in March 2018.
-) **DSG(2017)M004/A002:** DSG Chairman to write to Frank Roach, HiTrans asking for clarification of views on the Georgemas crane with regards to commercial freight. **Action complete:** See DSG(2017)C042 and DSG(2018)C002.

Trudy Morris noted that Frank Roach had concerns that his views had been misrepresented in regards to Georgemas and was hoping to attend the next Caithness Transport Forum meeting dependent on availability and if that date was not suitable there may be an approach for him to attend the March DSG public meeting.

Trudy Morris highlighted her concerns that mis-information was being voiced in public before any factual information had been forthcoming. It appeared that the public statements made with regards HiTrans were not entirely factual.

-) **DSG(2017)M004/A011:** Anna MacConnell to write to DSG Chairman, Roger Saxon, requesting a DSG representative for the Nucleus Advisory Panel. **Action complete:** request received on 29th November 2017. **David Flear has been nominated to become the DSG representative.**
-) **DSG(2017)M004/A015:** Trudy Morris to provide DSG with the latest update on Berriedale Braes. **Action complete:** It is anticipated that a contractor will be appointed to carry out supplementary ground investigation works in the coming weeks. Once this work stream is complete a contract will be awarded for the main works by summer 2018. Thereafter, it is anticipated that construction works will take between 12 to 14 months with completion planned for summer 2019.

Trudy Morris also noted that Alan Gow Groundwork had been drilling test holes on the Berriedale braes so work had commenced.

-) **DSG(2017)M004/A021:** DSG Chairman to write, on behalf of DSG, raising concerns with MSP/MP on the announcement of closure of the Royal Bank of Scotland Wick branch. **Action complete:** see DSG(2017)C044

5. DOUNREAY COMMUNITY FUND

Derrick Milnes noted that a summary of all funding applications had been provided to members in advance of the meeting. He reminded members to declare an interest where appropriate. The applications were reviewed and recommendations were made. [Secretary's note: see DSG(2018)C005].

6. DOUNREAY UPDATE

Derrick Milnes noted that a written update from the Dounreay Socio Economic Alliance had been provided to members in advance of the meeting (DSG(2018)P005). He invited Anna MacConnell and June Love to pick out the key highlights from the report.

Anna MacConnell noted:

) Wick Harbour Authority: It was expected that a funding decision would be made by April.

David Flear asked if a funding decision had been made for the design for the High Water Gate and also the status of potential HIE funding. Eann Sinclair responded that a meeting had recently been held with Wick Harbour, NDA and HIE which allowed Wick Harbour Authority to provide an update on progress. Some information was still forthcoming and therefore the timescales for bringing forward this work would be slightly later than the anticipated December 2017 date. HIE would be putting a paper to the April HIE board meeting .

June Love noted that Dounreay had committed £125K towards the design of the high water gate and was expecting this work to be invoiced during this financial year. NDA continued to commit in principle £1M towards this project.

) NDA Socio Economic panel met and two projects had been put forward for funding. Scrabster Harbour Trust had been successful in securing £150K for the project management element of a proposed redevelopment of the St Ola Pier. An 'in principle' commitment had been made for up to £350K towards the Community Sports Hub.

David Flear asked if this included the NDA owned land at Viewfirth. Anna MacConnell responded that this was not including the land and would be grant funding towards the construction of the building. She noted that other funders would be required now to come forward to ensure that the capital cost for this project could be realised.

David Flear asked for an update regarding the sports facility to find out what support was available from Sport Scotland and the Highland Council.

DSG/SESG(2018)M004/A001: June Love to invite Chairman of Community Sports Hub to provide an update on the Community Sports Hub at the next Socio Economic sub group meeting.

) NDA had received a number of informal funding enquiries but were at an early stage in discussions.

) NDA would be holding an event in Holyrood to raise awareness of the NDA's mission and value to the supply chain. This was scheduled to take place on 15th May 2018 at Holyrood.

) CNSRP had set up a Funding Co-ordination sub group of the CNSRP Delivery Group which would focus on reviewing funding and resource requirements for CNSRP major projects. The NDA, DSRL along with CNSRP partner and HIE are involved.

Eann Sinclair noted that this group had been set up to allow partners to explore the appetite of their organisations in funding elements of the priority projects. By having this meeting it would allow a baseline of projects to be developed including the costs and resources required to take these forward. June Love noted that this was a useful meeting looking strategically across the current and future projects to allow planning around this.

David Flear noted that Nucleus, the Nuclear and Caithness Archives have been awarded Place of Deposit status in December by the National Archive.

-) Restore would be recruiting four additional archivists to be located at Nucleus to assist with the records coming in from Harwell.

Trudy Morris asked if these were local people who were being recruited. Anna MacConnell responded that they are still in the recruitment phase but that it was likely that these would be local jobs.

Ronnie Johnson commented on Caithness Horizons. [At this point Roger Saxon, DSG Chairman declared an interest in Caithness Horizons and left the room.]

Ronnie Johnson noted that Dounreay had provided 10 years of funding which had equated to around £1M. He noted his concerns that even with the level of funding (which was also provided by Highland Council) provided already it was apparent that Caithness Horizons had not made progress on becoming sustainable within that timescale. He noted that there had been a recent request for additional funding in 2018/19 for £75K and also the £30K request for this financial year to support a business consultant. He asked if there was a limit set to this project as to when CH would come up with alternative funding streams.

June Love responded that the site had made it clear over the last 3 years that the historical funding was due to cease. In the past year there had been changes made to the CH Board with a new Chairman had been appointed who was now looking towards income generation with a view to becoming less reliant on grant funding from Dounreay and The Highland Council. Caithness Horizons had attended three Dounreay Socio Economic Board meetings to explore what their future plans were. The Board had agreed to funding of £30K towards a business development officer who would be tasked with identifying and developing an operating model for 2018 onwards.

CH had also intimated that while they were continuing to look at income generation and other funding streams for 2018/19 they still required funding of £150K (inclusive of both co-funders) to allow the facility to operate and for the opportunity to drive through the business development initiatives. The Dounreay Socio Economic Board had committed in principle £75K dependent on a number of conditions, one being that The Highland Council could also match fund with a £75K contribution. Ronnie Johnston stated he was not against supporting this but Dounreay and other funders would need to consider how long their funding commitment could last.

[At this point, Roger Saxon was invited back into the meeting.]

Relating to Dounreay, June Love noted:

-) The current spend of the Dounreay Socio economic budget for 2017/18.
-) The Dounreay Socio Economic Board at agreed to support £50K towards the Project Management Services for UKVL (space), £20K towards the development of a Tidal O&M strategy and £50K towards a supply chain analysis for offshore wind. All projects were part of the CNSRP priority project and were also part of the discussion at the new CNSRP funding group.

-) Three other funding requests, relating to CNSRP priority projects, were not approved and the CNSRP Programme Manager had been actioned to attend the next Board meeting in February to provide the clarification required.

David Flear noted that there should be some input from the DSG as this had been an agreement that the Socio Economic Chairman would be consulted on project funding to allow a community perspective on these decisions. June Love responded that this still happens and the Socio Economic Chairman was aware of these.

-) Fiona Bruce, Dounreay's Executive Support Manager, has been shortlisted as one of three national finalists in the 'champion of the year' category of the Women in Nuclear UK awards.
-) Dounreay Socio Economic Board would be held on the 12th February 2018, and updates on the Caithness Transport Forum, Business Mentoring programme and CNSRP clarifications would be coming forward at that meeting.

David Flear noted that an informal request had been submitted for funding towards the CNSRP independent chairman. Eann Sinclair responded part of the funding would be coming from HIE and a funding request for this would go forward to the DSEB.

-) Cavendish Nuclear, through Cavendish Dounreay Partnership, continues to support the secondment to support Wick Harbour Authority and the Community Sports Hub.
-) The staffing profile has been provided to CNSRP and an updated would be made available in April 2018.
-) Voluntary Redundancies was now underway with the bulk of staff leaving during the period of April to June 2018.

DSG/SESG(2018)M004/A002: June Love to request information from Dounreay on total number of people leaving through the Voluntary Early Release process.

-) A Dounreay Transition Board has now been established to oversee the formal process associated with people leaving the business. This ensures that detailed arrangements are in place to protect safety, security and the environment as responsibilities change as individuals leave.

Sandy Mackie asked if the funding for the three CNSRP projects (total cost of £120K) was being match funded. June Love responded that HIE were match funding all three projects.

-) A significant amount of work had been carried out to raise awareness on the Equality, Diversity & Inclusion (EDI) across the site. The site had also participated in an NDA estate wide data gathering exercise.

Trudy Morris asked if an update of which companies had gone through the first LINC opportunity as it would be useful to see how many local companies has registered.

DSG/SESG(2018)M004/A003: June Love to find out who went through the first LINC opportunity.

-) A major commercial contract valued at £400M for decommissioning services framework contract had just commenced. There would be socio economic content within this framework contract.

David Flear noted the positive outcomes of the socio economics coming through contracts and asked how the impact of these would be measured. June Love responded that socio economic content was coming through contract assessments and was continuing to explore with Commercial how the output of this could be measured and reported.

Derrick Milnes asked if there was any information on any of the companies actually involved in the IT contract. June Love responded that at this point the tenders had been submitted and were being evaluated. Due to the commercial sensitivities it was not appropriate to provide that level of detail at this point. Once the contract was awarded the successful contractor would be announced.

Sandie Mackie enquired about the framework contract that had listed a number of successful local companies. He asked whether the local companies had won these in their own right or whether they had partnered up with a bigger contractor. June Love noted that there was a mixture with some local companies providing the complete service and others working in partnership with other non-local companies.

David Flear noted that North Coast 500 was one of CNSRP's priority projects and asked what would fall into the scope of this work. Eann Sinclair responded that the scope had not yet been defined and CNSRP partners continued to look at the type of projects/investment potential for this project.

No further questions were raised and Derrick Milnes thanked Anna MacConnell and June Love for their comprehensive written report and update.

7. CNSRP UPDATE

Derrick Milnes noted that a written report had been provided. He invited Eann Sinclair to provide an update. Eann Sinclair noted:

) The CNSRP Advisory board meeting had met and they discussed the UKVL (Sutherland) project along with other potentials.

David Flear asked why there were a number of media reports highlighting spaceport opportunities in Western Isles and Shetland but little mention of the Sutherland project. Eann Sinclair noted that, at present, HIE was leading the Sutherland project while it was individuals or Councils who were working on the other spaceport potentials. He did confirm, however, that the Sutherland project was continuing and that the Dounreay funding to support the project management of this project had been invaluable to allow it to continue at a pace while decisions with Government bodies were ongoing.

David Flear felt that this placed Sutherland in an unfair advantage as others were aggressively selling their opportunities while Sutherland, who appeared to be the first site to grasp with this potential. He noted that this would be a major boost to the confidence of the area if Sutherland was to become the spaceport for small satellites and was a good fit for the skills that would be existing Dounreay and for the supply chain that had been built around the nuclear sector. He also felt it would have a positive impact on North Sutherland in many ways.

Roger Saxon added he had contacted Gail Ross, MSP to invite the Scottish Government Minister to visit Caithness so that CNSRP and others could provide them with information on the Sutherland site and the potential to impact positively in the area with the inevitable run-down of jobs. He noted that Ministers had visited other areas and it would be good to see some positive comment from our MSP and others for Caithness and North Sutherland.

-) The Wildland project had also been discussed at the CNSRP Advisory Board and an invitation to those involved with this project had been extended to them for the next Advisory Board meeting.

Anna MacConnell asked if this invitation to the Advisory Board would be extended to the CNSRP Delivery Group. Eann Sinclair responded that as the CNSRP Executive Board would be meeting at that time with the Advisory Board and invitation would also be extended to the CNSRP Delivery Group.

-) June Love noted, that through her HIE secondment, she was leading on the Business Services workstream. A draft ITT for the labour market intelligence piece of work had been drafted and was awaiting comment. This was one of the projects that the Dounreay Socio Economic Board had asked for further clarification on. This has resulted in HIE agreeing to fund the LMI part of the work and a further application for Dounreay funding may be raised following completion of the LMI if a decision to continue with the second piece of work which would look at market analysis to ensure a fit between the skills available and the market needs.
-) The Cavendish Nuclear project had not changed since the last update. There continued to be discussions with HIE on another part of the nuclear services workstream and these discussions continue.

Members had no further issues to add and Derrick Milnes thanked Eann Sinclair for his input.

8. CORRESPONDENCE SINCE LAST MEETING

Derrick Milnes noted the following correspondence:

-) DSG(2017)C044: Letter to Gail Ross, MSP re Royal Bank of Scotland closure.
-) DSG(2018)C001: NDA written update. This was noted by members.

9. ANY OTHER BUSINESS

Derrick Milnes noted the following:

-) The Annual General Meeting would be held on the 14th March 2018. Members were asked to consider whether they had the capacity to volunteer for an office bearer's role. It was noted that Roger Saxon has indicated he would be happy to stay on and Derrick Milnes had also indicated his willingness to remain. Bob Earnshaw had confirmed that he wished to step down from the role of Site Restoration sub group chairman.
-) Roger Saxon and Bob Earnshaw will be attending the SSG Chair's forum in London on 14th February. June Love to circulate the agenda if you wish to make any comments please contact June.

DSG/SESG(2018)M004/A004: June Love to circulate the agenda for the SSG Chair's Forum to all DSG members.

-) The NDA Business Plan response had been finalised and would be submitted to NDA on 1st February 2018. The final version would be circulated to all DSG members.

Derrick Milnes thanked June for all her work to collate the input from DSG .

-) DSG had written to HIAL regarding the potential centralising of the Air Traffic Control posts in the outlying airports. This linked with the Caithness Transport Forum who had also written expressing concerns about centralisation of these operations.

Trudy Morris noted that they received money from the Dounreay Socio Economic Fund to commission an airport study to look at existing routes. This study would be independent and would explore existing routes along with potential new routes. It would also consider the viability of the existing routes. An Inverness route was also being looked at with the NHS having said in the past they would value such a route to allow consultants from Inverness up to Wick quicker than road or rail. The study was due to complete at the end of February.

-) It was also noted that NDA were planning a reception at Holyrood in March to highlight the SME impacts across the H&Is as well as in Chapelcross and Hunterston.
-) The NDA were also looking to hold an NDA Stakeholder Summit sometime in July.

Derrick Milnes then invited all members to raise any other matters.

-) June Love noted that there was a new lobbying act just about to come out and DSG needed to consider whether they would have to register. Trudy Morris noted that the Chamber of Commerce were holding a workshop on this topic.
-) Roger Saxon noted that last year at the NDA Stakeholder Summit it was mentioned the DSG would like to see an NDA summit held in Caithness. June Love noted that a location had been identified for July 2018. Anna MacConnell noted that the next SSG Chair's meeting was being held in London due to the BEIS connection, however there was no reason for DSG to request that the next SSG Chair's forum be hosted in Caithness.
-) Sandy Mackie asked whether it was possible to see the funding profile for the site's programme. In terms of the Voluntary Redundancies which had caught everyone by surprise and that fact that once the Exotics programme comes to an end the hazard rating of the site becomes less he wondered whether the annual budget would be reduced. June Love noted that NDA had provided additional funding over two years to allow decommissioning work to continue in other areas of the site while the Exotics programme remained a priority. As the contract awarded to the Parent Body Organisation was a target cost contract it was likely that the annual budget of around £170M would remain throughout the contract. Clarity on this would be more certain once the new lifetime plan was approved. Eann Sinclair asked when the Life Time Plan would be approved. June Love responded that the NDA continued to work with the site management on the plan. [Secretary's note: following the DSG Site Restoration sub group meeting Mark Raffle, NDA indicated that it was likely that the new baseline plan (lifetime plan) was expected to be approved around October 2018.

10. CLOSE

Before closing the meeting, Derrick Milnes invited Ron Gunn to make comment on the usefulness of this meeting from a CHAT point of view. Ron Gunn thanked members for allowing him to attend – he provided a brief outline of some of the work that CHAT was undertaking and noted that the information provided at the meeting looking at the future economics of the area was a valuable part of information which would allow them to make sound judgements from a safety and economic point of view when discussing the needs of health care in the area. He stated he had no desire to use the DSG public meetings as a vehicle to get CHAT messages across but rather the information he had gleaned from this meeting allowed him to consider different arguments from an economic

viewpoint.

Ronnie Johnson noted that if CHAT was to become a member of DSG it would need to remain very factual in information being put out in the public domain. There had been occasions where information released, via facebook and other media, might not reflect the complete picture and misinformation was as dangerous sometimes as no information at all. He added that he believed that CHAT was doing some fantastic work.

Eann Sinclair noted that CHAT had recently met with the Health Minister, Shona Robinson and felt that if there was an alignment of key messages within the economic and safety areas of health care it would add weight to the regeneration activities.

Derrick Milnes re-iterated that DSG had a NHS representative on DSG who was there as part of the resilience for emergency arrangements only. He would not like to get to a position where one DSG member was calling another DSG member into question at public meetings given the roles that individuals play within DSG. Ron Gunn made assurances that this would not be the case.

) June Love noted that she had just received work that Dyan Foss, former Deputy Managing Director at Dounreay had passed away unexpectedly.

DSG/SESG(2018)M004/A005: June Love, to draft on behalf of DSG, a letter of condolence to Dyan Foss's family.

At this point Ron Gunn left the meeting.

Derrick Milnes asked members for their thoughts on CHAT become members of DSG. Following a short discussion there was agreement to CHAT's application to join DSG.

DSG/SESG(2018)M004/A005: Roger Saxon to write to CHAT confirming membership of DSG.

) June Love noted that the PA system from Dounreay would no longer be available and enquired as to the appetite of DSG purchasing a new modern PA system which could be used for all DSG meetings. DSG members agreed that this would be a worthwhile purchase.

There being no further business, Derrick Milnes thank everyone for attending and formally closed the meeting.

Derrick Milnes
DSG Socio Economic Sub Group Chairman
16th February 2018

Endorsed on 8th May 2018

ACTIONS ARISING

DSG/SESG(2018)M004/A001: June Love to invite Chairman of Community Sports Hub to provide an update on the Community Sports Hub at the next Socio Economic sub group meeting.

DSG/SESG(2018)M004/A002: June Love to request information from Dounreay on total number of people leaving through the Voluntary Early Release process.

DSG/SESG(2018)M004/A003: June Love to find out who went through the first LINC opportunity.

DSG/SESG(2018)M004/A004: June Love to circulate the agenda for the SSG Chair's Forum to all DSG members.

DSG/SESG(2018)M004/A005: June Love, to draft on behalf of DSG, a letter of condolence to Dyan Foss's family.