

SME Steering Group - Cumbria

Meeting 11 – 21st May 2015 9am – 1pm, Carillion’s Office, Kelton House, Westlake’s Science and Technology Park, Moor Row, Cumbria

MINUTES

Attendees

SMEs: Chair: Kurt Canfield (KC) Safety Critical Mike Nichols (MN), PacTec Peter Woolaghan (PW), React Engineering Tom Anderson (TA), Blue Stream Consulting Andy Hooper (AH) Westlake’s Engineering Ian Park (IP), Park Gate and Co. Steve Holiday (SH) Meldrum Electrical	Tier 2s: Graeme Mackenzie-Netherwood (GMN), Mitie Mark Watters (MW) Carillion Support Organisations: Sarah Mitchell (SM) – Copeland BC
SLCs: Tom Cummings (TC) – Sellafield Ltd	NDA: Chris Jennings (CJ) Sam Dancy (SD), NDA
Apologies: Mike Nicols (PacTec) John Porter (JP) BEC Robert Astall (RA), Sellafield Ltd Neil Proud (NP) Cavendish	Ron Gorham (RG) Sarah Purdam (SP) Prima Uno Stuart Wilson (SW) Sellafield Ltd

1) Apologies, Introductions and Minutes from previous meeting

Apologies were received from the above.

2) Previous Meetings / Actions

Previous Minutes were accepted as true and accurate.

Previous Actions

See updated log. Closed points from previous meetings will be removed from the updated log for all but the last two meetings in future.

Action Summary: -

Following Actions are complete: -

- 3.3, 4.3, 6.3, 8.10, 9.1, 10.2, 10.3 and 10.5

Following Actions are still on-going: -

- 6.9, 7.1, 7.11, 8.01 and 10.4

Points discussed during actions.

Discussion over administration/ secretarial duties

Action: - KC to request for support from the NDA for future secretarial duties

Concern was raised that the SME Representatives workloads being involved into socioeconomics. Thought should be given by the NDA about a separate representative for socio-economics but felt it was correct to request support from the SME’s representatives for the Business Growth.

The issue of local was still an issue and being considered ‘subjective’ e.g. does ‘local’ mean to the Sellafield Site or to the Sellafield Sites domestically speaking. It was emphasised by SL that there may be a focus on the delivery of local to certain sites.

SME Steering Group - Cumbria

Meeting 11 – 21st May 2015 9am – 1pm, Carillion's Office, Kelton House, Westlake's Science and Technology Park, Moor Row, Cumbria

Discussion around the value of training during tendering, concern was raised over how we 'charged' out less experienced individuals to gain experience on nuclear contracts. A request to Sellafield was made to vet questions prior to issuing out to the global supply chain w.r.t to 'Voice of the Supply Chain' Questionnaire. TC stated he would advise Stuart Wilson internally to Sellafield carrying out another survey.

Request to follow up on inviting INS to see how exportable Nuclear Decommissioning is, Sam Dancy still to follow up, action still on-going.

SD to following up on progress for insurance around SME's doing work in nuclear; work is still on going internally to the NDA but is inconclusive at the moment and the committee required an update.

Letter of support for nuclear college has moved on significantly and times have negated the need for the action to be required. Nuclear Academy is proposed to be at two sites, one of these is Cumbria but the final decisions are awaiting political outcome and decisions around spending. There was discussion around the benefits of learning between Cumbria and Bridgewater due to many synergies; group were asked how we might build on this. Chris Nattress did offer to come back to the group, which the group thought would be a positive move to see if there was any update.

The group also discussed the value of business support clusters / commerce's / and if there were any

Action: - KC to invite to Rob Johnston to the steering group to see what support is offered to SME's along with various other support organisations; KC to liaise with SM to discuss best route for this request.

Issues are still being identified around professional indemnity through contracts and inappropriate amounts are still being seen. It would appear that Tier 2's seem to be simply 'flowing' down the contracts without vetting the appropriateness. It was stated by TC that it is difficult and not really the SLC's place to mandate this requirement, ultimately this resides with the main contractors to flow appropriately down at that tier. We all agreed that it should be a 'risk' based assessment that dictates the appropriateness. Still evidence that the head contract terms are being flowed down and Tier 2's stating that there needs to be approval by the SLC; it was stated by the NDA and the SLC's that this was not believed to be the case and requested evidence of specific cases.

SME's raised the concern that the 'assessment' was 'not' being carried out in all cases and it introduced a barrier to market.

Action: - TC to confirm that there was no requirements to 'obtain permission' from the SLC's to alter flow down insurance and report back to the group. Also to see if there are any 'checks and balances' to see what actions, where appropriate, the main contractor are making.

The group had a good discussion around the current NDA SME Mentoring Scheme and the value of it. Some had clear benefits of the scheme and had benefits but other felt there was a key aspect of it missing. Feelings were raised that the scheme as an idea was good but it wasn't reciprocal enough and with the right individuals.

The actions also covered the disconnect and inefficiencies of the current government 'Contract Finders' it was discussed that the Crown Procurement are currently developing its base and that

SME Steering Group - Cumbria

Meeting 11 – 21st May 2015 9am – 1pm, Carillion's Office, Kelton House, Westlake's Science and Technology Park, Moor Row, Cumbria

there is much needed work to be done but also a lot on-going in the background to increase its performance, KC feedback from National Group.

The generally discussed issued around the procurement process and focussed on CTM systems. It was raised that the PQQ process was still very onerous and that despite rationalising the questions significantly through inclusive workshops; Health and Safety questions being the most difficult. SD stated that the government are wishing to remove PQQ's altogether below a certain threshold, which has both advantages and disadvantages.

Questions were raised over the value of the early engagement day to obtain the feedback from the supply chain, TC stated that these are working and they are altering the PQQ / ITT processes from this feedback.

Action: - KC / SM to discuss with BEC, BECBC, SL and NDA about a jointed up workshop for PQQ / ITT's for the NDA Estate specifically SL and CTM. Working through actual example questions.

It was noted that the NDA have in the past through Chris Jennings provided similar but this was more of the Crown Procurement Services and not the CTM systems for any specific SLC's. This would include specifics around semantics, phraseology and required terminology; as well has how to address technical questions.

Discussing procurement issues further there was new concerns over the analysis of SME's and how to assessed for target and reporting for spend to DECC / Treasury. This was raised from a specific SME being asked how to define their ownership. More recently current tenders such as DDP for SL did not request the true ownership of an SME. Questions over how an SME is defined was raised again and was this being accurately assessed to the EU definition. Concerns were that it may affect the outcome of spending reporting and some key aspects were given with supported evidence. Certain members raised concerns over the new requirements for the SME agenda an emphasised that it should not be target focused alone and take account of the value proposition given the client.

3) Update from other groups

Socio-economics Group Update given from GMN stating that anew socio-economics group has been developed which Neil Proud leads. This is covering a range of new initiatives, which requires the involvement of SME representatives. GMN stated that Neil would be able to give a full update on the next group as the assurance leads and groups developed. The assurance framework was specifically developed to support SL Socioeconomics agenda.

4) AOB

KC recapped that there was a lot that wasn't covered in this meeting although a lot of key and new points rose. As a result a request from certain SME's has been made to add the following to the next agenda in July: -

- Definition clarification on SME categorisation / ownership
- Other focuses / targets other than spend targets
- Impact of SL commercial model on market, and employment of young people
- Impact of flowdown terms filtering ability of SME's to compete for work, and on establishment of emergent SME's

SME Steering Group - Cumbria

Meeting 11 – 21st May 2015 9am – 1pm, Carillion's Office, Kelton House, Westlake's Science and Technology Park, Moor Row, Cumbria

- Average spend with SME's – understanding NDA/SL plans/strategy/vision in relation to SME's
- SL/Tier 2's non-adoption of EU definition of SME's – is this NDA's position as well?
- Payment – NDA/SL auditing/validation of payment, SL acquisition strategy forcing SME's to take higher risks further down supply chain with a deterioration of payment

5) Next Meeting

Proposed for Thursday July 23rd 2015, venue to be confirmed