

DOUNREAY SOCIO ECONOMIC BOARD

Minutes of meeting held on Tuesday 31 October 2017 at 0930 hrs in D1300 Conf Room, Dounreay.

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| Present: | Phil Craig | Dounreay Managing Director (Chairman) |
| | Mark Raffle | NDA Programme Manager |
| | David Lowe | Dounreay Deputy Managing Director |
| | Paul Hetherington | Dounreay Communications Manager |
| | Niall Watson | Dounreay Unions |
| | Simon Middlemas | Dounreay Socio Economic Project Support (PBO) |
| | Anna MacConnell | NDA Socio Economic and Stakeholder Relations Manager |
| | June Love | Dounreay Community Relations/Socio Economic Manager |
| In addition: | Craig Brown | Chairman, Caithness Horizons (agenda item 5.) |
| | Eann Sinclair | CNSRP Programme Manager (agenda item 6.) |

MINUTES

1. INTRODUCTIONS

Phil Craig welcomed everyone to the meeting. He noted that there were no fire alarm testing scheduled to take place and therefore if any alarms were to be activated members should leave the room and assemble at the designated area.

He welcomed David Lowe, Niall Watson and Paul Hetherington who were all attending this meeting for the first time following a number of changes to the Board. Niall Watson noted that he would have to leave the meeting early (left towards the end of agenda item 5) due to previous meeting commitments.

Phil Craig noted that due to diary constraints it had been a while since a meeting had been held. He asked that meetings revert to quarterly and that these would go ahead with those who were available to attend.

- **DSEB(2017)M002/A001: June Love to identify forward dates for quarterly DSEB meetings.**

Phil Craig also noted that a number of people around the table held interests in other organisations and felt it would be appropriate for those individuals to declare any interests, which would allow the Board to agree the course of action to avoid any actual or appearance of conflict of interest.

June Love noted that she had provided factual information for the CNSRP funding requests and with her HIE secondment would be undertaking some of the actions to take the funding requests forward. She noted that she had not taken part in discussion during CNSRP meetings on the funding requests. It was agreed that June Love would remain at the table but would take no part in the discussion relating to the CNSRP requests.

Simon Middlemas noted that he had previously declared an interest in Scrabster Harbour Trust as he had been a Director of the Board. He wished it to be recorded that he had stepped down from that role in September 2017.

Anna MacConnell noted the representation of NDA (Anna MacConnell), CDP (Simon Middlemas) and DSRL (June Love) at the CNSRP Delivery and Executive meetings.

2. APOLOGIES

There were no apologies.

3. MINUTES OF LAST MEETING

No amendments were made to the minutes (DSEB(2017)M001 refers) and these were accepted as a true reflection of the meeting. It was confirmed that the minutes could be published on the website.

Action: DSEB(2017)M002/A002: June Love to publish February 2017 minutes on website.

4. PROGRESS ON ACTIONS

Phil Craig noted the following actions had been complete since the last meeting:

- DSEB(2017)M001/A001: June Love to publish November 2016 minutes on website. **Action complete.**
- DSEB(2017)M001/A002: Simon Middlemas to raise the issue of HC funding for Transport Forum at CNSRP Executive Board. **Action complete:** Agreement made to continue funding £10K for next three years.
- DSEB(2017)M001/A003: June Love to draft funding letter, with conditions, for the Business Support project. **Action complete:** Agreement at DSEB to continue to funding Business support project.
- DSEB(2017)M001/A004: June Love to draft funding letter, with conditions, for support to the Caithness Transport Forum. **Action complete:** Letter sent and T&Cs accepted.
- DSEB(2017)M001/A005: June Love to draft funding letter, with conditions, for support to the UKVL project. **Action complete:** Letter sent and T&Cs accepted.
- DSEB(2017)M001/A006: June Love to provide current spend profile for 2016/17 for information to Board members. **Action complete.**
- DSEB(2017)M001/A007: June Love, in conjunction with Anna MacConnell, to draft commitment letter to Wick Harbour Authority once NDA funding has been approved. **Action complete:** NDA has provided funding letter to Wick harbour committing £1M for high water gate.
- DSEB(2017)M001/A008: June Love to draft letter to Caithness Horizons for the Board's approval. **Action complete:** Letter signed by DSEB and sent to Caithness Horizons.

Phil Craig noted the following actions were ongoing:

- DSEB(2017)M001/A009: All Board members to provide comments on Dounreay SE Alliance strategy document. This action is ongoing and was recirculated with a deadline for comments by 17th November 2017.
- DSEB(2016)M003/A011: June Love to invite Graham Cameron to the next DSEB to provide an update on the People Plan. **Action On-going – will be taken at the February 2018 Board.**

All other outstanding actions related to the Community Sports Hub which was the subject of separate discussion (see agenda item 7).

5. CAITHNESS HORIZONS

Phil Craig stated that before inviting Craig Brown, Chairman of Caithness Horizons, to provide an update it would be useful to recap on the status of Dounreay's continued support. He noted that the last tranche of funding (£45K) had now been paid and this completed the historical commitment made by UKAEA.

A number of meetings with Caithness Horizons had taken place to encourage them to relook at their business plan and following discussions at the last meeting and having been informed that further funding would be required a letter had been written with potential support for a further two years dependent on a number of conditions including Highland Council's ongoing support and further discussions on the developing business plan and progress being made on become more sustainable.

A number of documents had been received from Caithness Horizons including the quarterly dashboard report. Craig Brown, Chairman of Caithness Horizons was welcomed to the meeting.

At this point Niall Watson left the meeting.

Craig Brown provided an update on the present state of progress. Since he had last attended the DESB a number of changes had been made including new membership of the Board, charging for entry into the museum and looking at other income streams.

In terms of this financial year three areas had been focussed on:

- Café revenue
- Entrance fee
- Other income streams

There were a number of other opportunities that they would be pursuing and these were outlined in detail.

The DSEB members questioned the Caithness Horizons Chairman on a number of issues and received some positive feedback as well as providing further suggestions to pursue.

The DESB noted that, at present, Caithness Horizons was projecting a small profit but that to continue in its current form it would require £150K from co-funders.

At this point Craig Brown, CH Chairman, left the meeting.

Following further discussion it was agreed that an increase of funding from the previous letter sent (£56K) would be considered but that the DESB would like to see further progress and an updated business plan. It was agreed that this discussion would be the subject of a further meeting in December.

- **DSEB(2017)M002/A003: Craig Brown to identify potential dates in December when CH would be ready to present new business plan and demonstration of some activities being taken forward.**
- **DSEB(2017)M002/A004: June Love to co-ordinate Dounreay SE Board meeting for December meeting to concentrate on Caithness Horizons business Plan (and potentially other funding**

requests).

- **DSEB(2017)M002/A005: June Love to draft funding letter setting out clear outputs/outcomes and deliverables required to allow draw down of funding for 2018/19.**
- **DSEB(2017)M002/A006: Dounreay SE Board members to approve funding letter (as above) before final sign off following December meeting and final Board decision.**
- **DSEB(2017)M002/A007: June Love to invite Highland Council representative to December meeting for CH discussion to ensure co-funders are aligned.**
- **DSEB(2017)M002/A008: Paul Hetherington to speak to Craig Brown outside the meeting to identify whether CH would find it useful to have an external view of the facilities marketing and advertising.**

6. FUNDING REQUESTS FROM CNSRP

Phil Craig noted that Eann Sinclair, CNSRP Programme Manager had provided a written paper on the six priority projects which sit within the CNSRP programme. The paper included requests for CNSRP partner funding for all six projects. [June Love took no part in this discussion.]

Eann Sinclair outlined the new three year programme of activities explaining that year 1 mainly comprised of intelligence gathering and project management to allow a review of the offerings to be made before campaigns and/or activity commenced. The output of year 1 would allow a more focussed activity driven programme for years 2 and 3 and these would be prioritised on where the biggest jobs impacts were likely to be.

The funding requests included:

- UK Vertical Launch, Sutherland
- Offshore Wind, Supply chain attraction and development
- Tidal – operation and maintenance opportunities
- Business services inward investment
- Nuclear services
- North Coast 500
- Oil and Gas

On a separate note (and not within the CNSRP priority projects), Mark Raffle asked what the state of play was with the Dounreay Tri-project. Eann Sinclair noted that while the Dounreay-Tri had gone into administration there were other potential smaller opportunities wanting to come in and were currently in discussions with CNSRP.

There was a robust discussion around each of the funding requests and a number of caveats were put in place including approval to fund:

- UK Vertical Launch (Sutherland): £50K
- Tidal: Ops & Maint Strategy Development: £20K
- Offshore wind: supply chain gap analysis £50K

The remaining funding requests were subject to further clarification.

The following were discussed as the potential overarching terms and conditions of any such CNSRP related funding:

- Decision on capacity of project owner to deliver (for CNSRP Programme Manager to scrutinise and satisfy himself and confirm to DSEB).
 - Need to understand the level of focus and resource requirements for each project.
 - Understand level of reach back from HIE to support.
 - Funding requests (for financial years 2018/19 and 2019/20) to be provided (with assumptions at this stage) for forward planning purposes.
 - CNSRP to provide process of agreeing programme and funding support for projects, including how other applications received from partners are considered and the CNSRP criteria for considering whether projects should be on priority programme.
 - To provide CNSRP scopes and plans for each request and any other supporting documentation that underpins these projects.
- **DSEB(2017)M002/A009: June Love to include over-arching terms and conditions to draft letters for funding support.**
 - **DSEB(2017)M002/A010: Eann Sinclair to provide clarity on questions raised regarding three funding requests where further information had been identified.**

7. DSRL SOCIO ECONOMIC ACTIVITIES

Phil Craig noted three written updates had been provided:

- Exception report
- Written progress report
- Downreay socio economic spend profile

Exception report: Community Sports Hub

June Love noted the exception report was based on the progress of the Community Sports Hub. The DSEB had previously agreed to extend the conditions for the planning application to December 2017. However, progress with SportsScotland had been delayed and therefore the CSH was not in a position to submit a planning application. The CSH was due to meet with SportsScotland in mid-November.

Anna MacConnell noted that the NDA had changed its socio economic policy resulting in support to sports facilities now being included within the policy.

Mark Raffle asked whether the NDA change of policy had been cascaded to the DSEB. Anna MacConnell said that it had not been provided formally.

- **DSEB(2017)M002/A011: Anna MacConnell to provide formal notification of the NDA change of socio economic policy to include potential funding support to Sports facilities.**

June Love said she would request a progress report from the CSH following the meeting with SportsScotland. She would circulate by email this update along with a recommendation to take this project forward.

Simon Middlemas also noted that Shona Kirk, Cavendish Nuclear, was currently seconded for 1 day per week to support this project. A decision on this ongoing support would be made following receipt of progress.

- **DSEB(2017)M002/A012: June Love to update DSEB on progress with the Community Sports Hub with a recommendation on the way forward in relation to the funding provided for the planning application.**
- **DESB(2017)M002/A013: Simon Middlemas to consider CN secondment to CSH project dependent on outcome of meeting with SportsScotland and progress going forward.**

Dounreay Socio Economic Alliance update report:

This paper was taken as read. Phil Craig invited comment on the paper.

Anna MacConnell noted the following:

- NDA funding for the high water gate at Wick harbour continued to progress with a commitment for up to £1M. Dounreay had also committed funding towards the design of the gate (£125K). Anna MacConnell was the contact for this project as agreed at an earlier meeting (for both NDA and Dounreay) and was in regular discussion with the harbour with regards to this project.

It was noted that the design was currently expected to come in at around £175K. Mark Raffle noted that if Dounreay provided £125K as previously committed the NDA could provide the £50K which would cover the complete design cost. This would mean that the support for the build from the NDA would be £.95M.

There were questions on the timeline on the process for the funding and it was agreed that Anna MacConnell and June Love would provide a timeline of the application process.

- **DSEB(2017)M002/A014: Anna MacConnell and June Love to provide a timeline for the decision making process for the Wick Harbour Authority high water gate project and support.**

June Love highlighted:

Dounreay staffing profile: Graham Cameron had presented the staffing profile to CNSRP and no comments had been received. Graham had attended the CNSRP Delivery Group to talk through the figures highlighting a number of assumptions on the way through. These will be further refined next year with a commitment to provide an update to CNSRP in April 2018. There had also been a request to provide an estimate of supply chain workers for the various construction and demolition projects that will inevitably be through the supply chain.

Scrabster Harbour – Dounreay had funded the economic impact report and this was showing positives in comparison to the 2009 report. In partnership with Scrabster, the Dounreay Communications Department had reported via social media the funding support and signposted back to Scrabster Harbour's press release on the impacts.

CNSRP activities: All conditions for funding had been delivered on time and these were monitored on a regular basis. One requirement was overdue which related to the support of the revamp of the CNSRP website. This was due to be complete by 30th August however following a couple of events parts of the website was reworked and it is likely that this will now go live mid November. Once the

website was live the funding provided by Dounreay would be drawn down once the invoice was received.

8. COMMUNICATIONS

Paul Hetherington noted that this was his first attendance at this meeting. There had been a lot of information to digest and he would consider this in conjunction with June and Anna with respect to including potential stories to be identified via the Communications planner and ensure that a number of tools would be used to communicate the socio economic support provided.

9. PIPELINE PROJECTS

Anna MacConnell noted that she was presently in early discussions with three potential projects:

- The Caithness Broch project
- JOG mill restoration
- Town Centre improvements

All three projects were not at a stage where any funding requests had been forthcoming. Discussions were ongoing.

Phil Craig asked if these projects had been considered at the CNSRP. Anna MacConnell responded that discussions were at too early a stage at present and there was no detail to provide. She did not believe that the NDA policy would prohibit these projects coming forward as long as there was a good justification for them.

June Love noted that she had held early discussions with Scrabster Harbour regarding potential funding in relation to project management services for the St Ola Pier development. She noted that she had received an enquiry form and provided a brief outline. Scrabster Harbour believed that this project would have positive impacts across a number of CNSRP opportunities.

Simon Middlemas noted that while he was no longer a Board Director of Scrabster Harbour he had been involved in the work to look at the development of the St Ola Pier and therefore took no part in these discussions.

Phil Craig said that to take this forward for further consideration he would like to understand how this fitted into the CNSRP programme, what the project looked like and what was the expected benefits. He noted that Scrabster Harbour had received a significant amount of funding for various projects over the years.

It was agreed that a discussion with CNSRP to explore their potential support and a full application would be required before consideration of this request could go any further.

- **DSEB(2017)M002/A015: June Love to discuss with CNSRP, the SHT funding request with a view to identifying whether this project provided a fit with the CNSRP opportunities.**
- **DSEB(2017)M002/A016: June Love to request a full application from Scrabster Harbour Trust to provide further information on the funding request.**

10. ANY OTHER BUSINESS

Phil Craig re-iterated the need to hold regular meetings. The next meeting would be held in Thurso and concentrate on Caithness Horizons. June Love noted that she may be in a position to also invite Eann Sinclair back to clarify questions raised under the CNSRP funding requests.

Anna MacConnell noted that the Highland Leader funding was under-utilised in Caithness and it would be useful to consider this as a potential funding stream when considering funding requests.

June Love noted the next meeting of the Board would be held early February 2018. The following would be on the agenda:

- Budget setting for coming year 2018/19
- Draft socio economic plan 2018 to 2021
- CNSRP funding requests for 2018/19
- Update on Caithness Transport Forum
- Update on Business support project
- Final decision on Caithness Horizons
- Final decision on Community Sports Hub
- Dounreay People Plan update

There being no further business, Phil Craig thanked everyone for their input and formally closed the meeting.

Phil Craig
DSEB Chairman
4th November 2017

ACTIONS ARISING FROM THIS MEETING

DSEB(2017)M002/A001: June Love to identify forward dates for quarterly DSEB meetings.

DSEB(2017)M002/A002: June Love to publish February 2017 minutes on website.

DSEB(2017)M002/A003: Craig Brown to identify potential dates in December when CH would be ready to present new business plan and demonstration of some activities being taken forward.

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DSEB(2017)M002/A016: June Love to request a full application from Scrabster Harbour Trust to provide further information on the funding request.

ACTIONS ONGOING FROM PREVIOUS MEETINGS

DSEB(2016)M003/A003: Simon Middlemas to provide confirmation in writing that the secondment of Shona Kirk to support the CSH business case continues. **Ongoing: Awaiting feedback from CSH meetings to find out what is proposed to go forward.**

DSEB(2016)M003/A004: Shona Kirk to provide Anna MacConnell with the updated business case and summary of activities that had been carried out so far as soon as possible (in time for Property meeting around beginning of December). **Ongoing: Business case still awaited – dependent on outcome of CSH meeting.**

DSEB(2016)M003/A005: Anna MacConnell to provide a letter to CSH setting out land availability timescales. **Ongoing: See DSEB(2016)M003/A004: awaiting business case.**

DSEB(2016)M003/A011: June Love to invite Graham Cameron to the next DSEB to provide an update on the People Plan. **Ongoing – G Cameron was not available for February 2017 meeting – will be held over until the next meeting.**

ACTIONS COMPLETED SINCE LAST MEETING

DSEB(2017)M001/A001: June Love to publish November 2016 minutes on website. **Action complete.**

DSEB(2017)M001/A002: Simon Middlemas to raise funding for Transport Forum at CNSRP Executive Board re HC funding. **Action complete:** Agreement made to continue funding £10K for next three years.

DSEB(2017)M001/A003: June Love to draft funding letter, with conditions, for the Business Support project. **Action complete:** Agreement at DSEB to continue to funding Business support project.

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