



NDA Local Economic and Social Impact Strategy 2020 to 2026

Draft for Consultation

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Introduction and context

The Nuclear Decommissioning Authority (the NDA) is the UK Government agency charged with cleaning up 17 of the UK's nuclear sites safely, securely and cost effectively; with care for people and the environment. The NDA has a duty in the Energy Act (2004) to have regard for the impact of its activities on communities living near its sites. The NDA must ensure that decommissioning activities benefit local communities and provide a beneficial legacy once decommissioning work is completed. This strategy is about those two things: the benefits from decommissioning and creating a positive legacy.

This strategy's focus is on attracting sustainable investment into the communities near our sites. This "inward investment" strategy has two complementary objectives – first, healthy economies around our sites mean that they are less dependent on decommissioning, so mitigating against economic shocks when decommissioning ends. Second, a healthy and competitive local supply chain should also mean higher levels of innovation and productivity at our sites. Inward investment will mean different things at different sites. At some, the focus will be on diversification as decommissioning comes to an end. At others, our decommissioning work can act as a local engine of growth with companies, especially smaller ones, using the opportunities created by decommissioning work as a springboard into other markets and sectors.

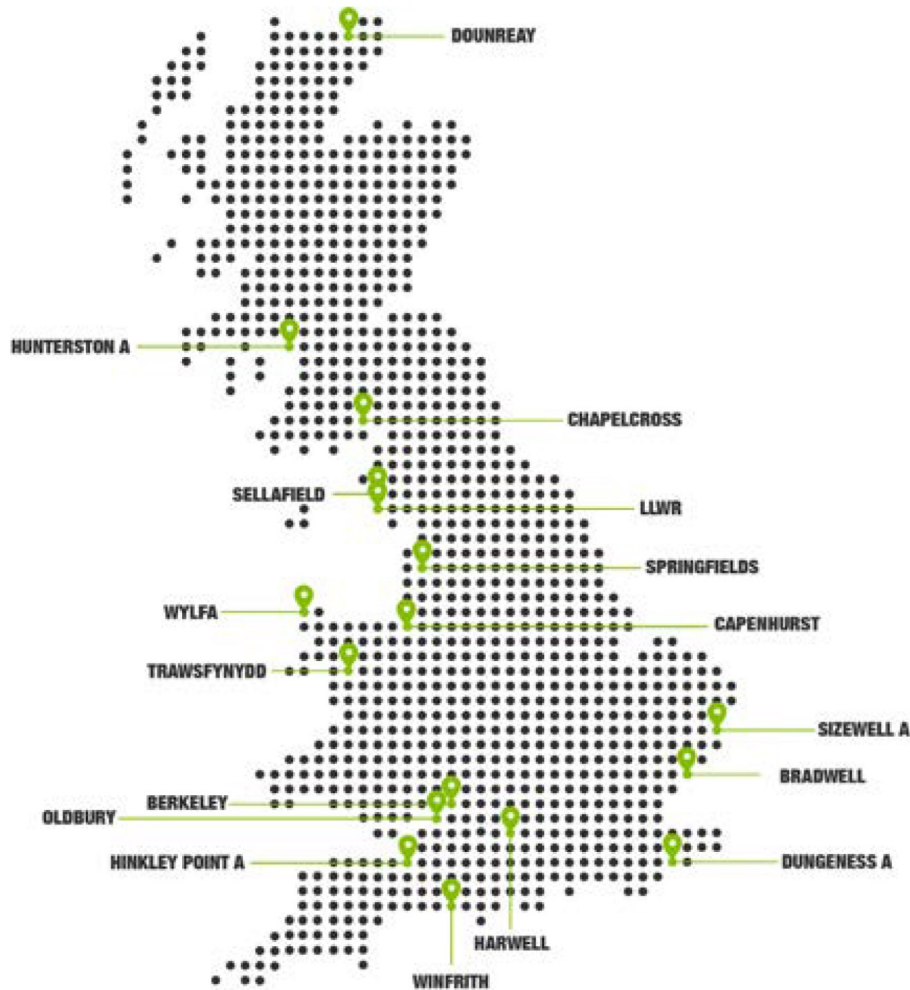
This revised strategy is aligned with other elements of the NDA's work, in particular its supply chain, property and people strategies, without losing the responsive and bottom-up links to local communities. As a Government agency, the NDA also needs to have regard for wider Government policies, such as net zero carbon targets, sustainability and the economic policy. The Government's policy is "to unite and level up across the whole United Kingdom – spreading opportunity more fairly – with better infrastructure, superb education and high technology." The NDA's highly skilled work, with high technology and research component, and wide geographic spread all mean that it is well-placed to support this cross-Government impetus.

Given the major impact of the NDA's work on local communities, we have the ambition and mandate to increase the benefit of our work locally. To do this, the NDA needs to continue to work closely with local partners, including Local Economic Partnerships (LEPs), Local Councils and other agencies. This includes taking a more active approach to land reuse, working with local partners and communities to look at opportunities to reuse decommissioned land to support local ambitions.

We are a major local employer, landlord and buyer of goods and services. We have a large training, research, transport and innovation budget; and deep links into government, the supply chain and local communities. We have both the resources and the goodwill to make a positive impact in local communities.

In particular, there are strong linkages between the NDA's own requirements for skilled staff and wider communities interests in education and training. The NDA's early strategy and schools engagement programmes are important to our own work but our aim has always been to work in partnership with others. The NDA is one of the driving forces in the Nuclear Sector Skills Group and are fully supportive of the Group's work on diversity, apprentices, mobility and place.

Section 1 – Background and Analysis



Most of the NDA's sites are located in coastal, rural and relatively remote locations. We are a significant employer in our communities and in some we are the dominant employer.

Our decommissioning work is extensive and varied. Some sites, most notably in west Cumbria, will be nationally important centres for nuclear materials, spent fuel management and waste management for many years to come. At some other

sites, decommissioning work has either come to an end or will come to an end in the next decade.

Decommissioning has a number of different effects on local communities. Many are positive – decommissioning can create long-term, skilled employment and excellent opportunities for local supply chains.

Done well, decommissioning should generate substantial economic benefits and “crowd in” economic activity creating a so-called cluster effect, where there is a vibrant local economy.

Cluster or Agglomeration Effects

Economic theory suggests that when economic activity is clustered in a particular area, there are positive spill-over effects. These include lower search costs for labour and contractors, easier sharing of knowledge and expertise, greater local competition and higher productivity. Where economic clusters are established, a virtuous circle emerges whereby inter-firm competition promotes innovation and productivity. Ultimately this means that local companies are able to compete nationally and internationally for work. In the case of decommissioning, strong local economies around the NDA sites should have a positive impact for decommissioning – creating a win:win situation for the local economy.

Decommissioning creates jobs and opportunities in the supply chain, many of which are accessible to people and companies based near our sites. Decommissioning can also be made more efficient by having a well-functioning local jobs market and supplier base.

However, it can also impact negatively, and create legacy issues if local economies have not been able to diversify before decommissioning operations come to an end.

Communities and local economies can become dependent on single large local employers, potentially driving out other opportunities or making communities vulnerable to economic shocks. There is a risk that some parts of the community do not have the skills or opportunities to benefit directly or indirectly from decommissioning work. Local companies may not have the capacity to access contracts. The result is that local markets are sub-scale; reducing positive economic effects.

Large employers, especially in high tech industries, might bring in workers with high wages, with the effect of pushing up demand for property and local services. This raises the cost for all local people, including those not directly employed by the

large employers. This crowding out effect is most likely to be felt where the NDA is a large or dominant employer (e.g. West Cumbria, Caithness, or North Wales).

There is clear evidence of this effect in communities near to our sites. For example, in the boroughs of Copeland and Allerdale in Cumbria, Sellafield supports around 58% and 27% of the local wage bill respectively. In the 2019 National Statistics English indices of deprivation 2019, Copeland in West Cumbria is ranked 59th out of 317 local authority areas for employment, but 215th for access to housing and services. Perhaps more importantly, despite the high wages in decommissioning, there are still acute areas of deprivation.

Local authorities and communities more generally continue to adapt to accommodate the needs of the NDA sites and our decommissioning work. However, the nuclear industry can create a strong local dependency (which starts decades before decommissioning) and the NDA has an obligation to work with the communities to prepare for change, for example, supporting initiatives to diversify the local economy and help the supply chain access new markets.

In the next 10-15 years, for example, we expect decommissioning at Dounreay to draw to a close, therefore we need a particular focus on supporting the Caithness economy as it adapts. We also have an obligation to our workforce, by supporting retraining and other opportunities.

Examples can be drawn from case studies worldwide where industries have changed dramatically and in some cases disappeared from areas completely. To be done successfully this requires a managed transition, initiated many years in advance, enabling the local economy and its people to be resilient to such change.

Section 2 – Site by site action plan

We have worked closely with stakeholders from around the NDA estate and our local communities. We have sought to understand local needs and priorities from engagement with Local Enterprise Partnerships, Combined Authorities, Local Authorities and Regional economic bodies (e.g. Northern Powerhouse). These agencies are well-placed to understand local strengths, opportunities, weaknesses and threats in terms of infrastructure, skills, and businesses. However, the NDA group is often an important player in the local economies where we operate, so we have to bring in our own insights and requirements. We have also sought to identify ways in which the NDA might help local partners to be better placed to deliver transformational economic projects.

We have commissioned research into economic development strategies deployed around the world and in particular focussed on areas where large industries exist or where there has been significant transition from industrial activity in heavily dependent areas.

NDA interventions around any of our sites will be properly assessed using the decision making framework outlined in section 3. The information in this section provides some high level context on each of our locations and some insight into local economic priorities as identified by our businesses and partners.

To increase impact, the new strategy proposes that we focus our larger socio-economic support on larger initiatives at each of our sites. Some of these are linked to NDA's property strategy (e.g. Chapelcross land), others to local authorities' strategies (e.g. Romney Marsh Partnership) or BEIS policies. Broadly these 'anchor projects' can be grouped under six key themes as follows:

- **Skills, training and education**
- **Land use, reuse and property**
- **Renewables/Low Carbon Energy**
- **Business environment and support for small businesses**
- **Infrastructure**

These themes are intended to give some focus and certainty to our work especially larger projects, but should not preclude bottom-up and community led smaller project locally which fall outside them. Therefore we are proposing that local projects (small and medium sized projects) can continue to be funded using our grant giving powers, albeit with the new systems and processes which include more clearly defined outcomes and objectives.

Additionally through our engagement with local partners we have identified that there is a deficit of capacity and capability locally to produce the necessary business cases in order to secure delivery funding for larger, more transformational projects. The NDA will therefore seek to support local partners to be better prepared to respond to external funding opportunities and to develop and deliver such projects.

WEST CUMBRIA – SELLAFIELD and LLWR

Sellafield hosts a large number of operational and legacy nuclear facilities, and directly employs around 10,000 people, with a further 17,000 jobs supported in Cumbria indirectly. The nearby Low Level Waste Repository is a highly successful national asset used by the nuclear industry and the NHS for medical isotopes.

Current economic opportunities and ‘Anchor Projects’

Our current activities include:

- The WELL project aimed at raising standards of education and attainment;
- Ongoing investment in the Copeland Community Fund which supports community projects in the areas close to the Low Level Waste Repository;
- A Regeneration Investment Programme including investments to support business and innovation, including initiatives at The Watershed in Whitehaven and creation of the ‘Hidden Coast’ attraction along the West Cumbrian Coastline;
- Initiatives to support business growth in Allerdale and Copeland;
- Delivery of Education Outreach programmes supported by NDA funding;
- Provision of state of the art VR equipment for the National College for Nuclear;
- Feasibility studies into initiatives which may help diversify the Cumbrian economy.

The NDA will continue to support these projects, as well as working more closely with our SLCs and local partners to enable the following ongoing activities to take place. In each case we will give careful consideration as to how this can be done best to achieve maximum economic benefit:

- Maintain the NDA Group’s **grant funding programme** at Sellafield and on-going support for the Copeland Community Fund;
- **Accommodation and land** - including relocation of circa 2,000 staff into local town centre office accommodation and using available NDA land for new and sustainable economic activity;
- **PPP** – maximising the economic potential of the Programme and Project Partners (PPP) for long term and transformational partnerships;

- Continued commitment to the **Copeland Work and Skills Partnership**;
- **Apprenticeships** - Commitment to 750 apprenticeship guarantees and in addition 250 Community apprentices;
- Work with the Council and other partners to set out and deliver the **Economic Vision for the Borough**;
- **Maximising the benefit of moving non-nuclear work off the Sellafield site** - The NDA group will support the **Industrial Solutions Hub** – a programme designed to maximise the local impact of moving some Sellafield engineering facilities off site and similar opportunities as they arise in future giving greater opportunity to commercialise skills and expertise;
- **Britain’s Energy Coast** - retain NDA role as majority shareholder and actively use BEC to deliver the relevant parts of this strategy;
- **Transport & Logistics** The NDA will support projects that help create wider economic benefit from changes to our transport and logistics work including partnership working such as “Heathrow Hub” work. We will fund a study into better use of **Port of Workington** to support the NDA’s work and wider economic development ;
- **Net zero economy** – support for projects and initiatives which support net zero and sustainability.

Future Socio Economic Strategy for West Cumbria

In addition to the above, the NDA will commit to working with local partners to align with the aspirations of the **West Cumbria Site Stakeholder Group**, the **Cumbria Local Industrial Strategy** and the **Economic Vision for West Cumbria**.

Key priority themes emerging from these strategies include:

- Supporting innovation;
- Creating a supportive business environment, inc spin offs and start-ups;
- Places – including town centre regeneration and Whitehaven North Shore
- Infrastructure;
- People and skills;
- Promoting Cumbria as a great place to live, work and visit;
- Investment in Clean Growth;
- Opportunities for diversification, export and investment in other sectors;

Alignment with future Government Growth Deals and Government support initiatives which could improve the West Cumbria Economy.

DOUNREAY

Dounreay is the second most complex NDA site and a sizeable local employer in Caithness in Northern Scotland. Around 10% of the local jobs in Caithness are dependent on Dounreay and its supply chain. Decommissioning is currently due to be completed in the 2030s. Work on diversifying the local economy is well advanced, led by a consortium of organisations brought together in the Caithness and North Sutherland Regeneration Partnership (CNSRP).

Current economic opportunities and ‘Anchor Projects’

The NDA’s current economic development work in Dounreay brings together the work of three entities: the NDA, Dounreay Site Restoration Ltd and Cavendish Dounreay Partnership. These parties work closely with the CNSRP whose aim is to support the creation of new employment opportunities in the area. The Regeneration Partnership brings together NDA, The Highland Council, Cavendish Dounreay Partnership, Caithness Chamber of Commerce, Scottish Government, and Highlands and Islands Enterprise. Current Initiatives/programmes led by partners being supported by the NDA include:

- CNRSP enabling activities – Skills programmes, roads, Wick Harbour, Airport;
- CNSRP opportunities: space, oil and gas, off shore wind, tidal energy, tourism, nuclear and business services, town centre development.

In addition to our continued commitment to the CNRSP activities above, the NDA will fund a full study on the future of Dounreay, including a skills audit of the Dounreay site, with the intention of identifying potential re-use and ‘spin-off’ opportunities and to investigate potential alternative sources of employment which can be promoted for the area.

Future Socio Economic Strategy for Dounreay

The NDA’s strategy for Dounreay is to:

- contribute to maintaining and developing skills in the area;
- contribute to the economic and social infrastructure of the area;
- support the diversification of local economies into other sectors.

The NDA will support priority projects and programmes under these strategic needs:

- Support the local campaign for a PSO at Wick Airport;
- Contribute to increasing the attractiveness of the area;
- The use of resources to support the economic development of the area;
- Continue to the delivery of the CNSRP objectives and programme;
- Contribute to the development and establishment of new businesses in the area.

MAGNOX sites

Most of the remaining NDA sites are former nuclear power stations. These sites now have between 200 and 500 people working at them. Whilst these are smaller numbers than at Sellafield and Dounreay, they are locally significant numbers and regionally significant in North-West Wales. The NDA carried out a detailed economic impact assessment of the Magnox sites in 2018. This study estimated that Magnox Ltd supported around 3000 jobs locally and that the GVA impact was around £200 million.

North West Wales – WYLFA and TRAWSFYNYDD

Although the socio-economic circumstances of Wylfa and Trawsfynydd sites differ in terms of the specific nature and timelines of current and proposed developments, there are many aspects which bind both areas together.

- The low-economic-strength/high dependency on local Magnox Site;
- The paucity of alternative high value employment in both areas;
- The importance of the Welsh language and culture;
- The outward migration of young people;
- The strength of the local nuclear workforce in both areas;
- The skills supply chain in North Western Wales is common to the two sites.

Decommissioning of the **Trawsfynydd** site is advanced, as is the resulting decline of employment levels on site. Five years ago, there was a peak decommissioning workforce of around 700. There are currently around 160 remaining. The Trawsfynydd site is significant for the Dwyfor-Meirionnydd region, which has the lowest average UK income. Fewer than 1% of Dwyfor-Meirionnydd's businesses employ more than 50 people.

Wylfa is a site earmarked for Nuclear New Build, although the planned development was halted in early 2019. Anglesey County Council and partners have

promoted alternative proposals for an 'Anglesey Energy Island' focussing on low carbon energy projects supported by NDA.

Current economic opportunities and 'Anchor Projects' at Wylfa

A particular challenge for economic policy makers on Anglesey is the status of Wylfa Newydd. The NDA recognises that the economic plan for the island is completely dependent of the status of this gigantic project. The presence of developer led investment should mean a much more focus role for the public sector focused on inclusive growth. If Wylfa Newydd continues to be delayed then the demands on the public sector are likely to be greater and more varied. The NDA recognises the need for great flexibility and will work with partners such as the Council accordingly.

At Wylfa there is a drive towards Low carbon energy including new nuclear build, and NDA will support anchor projects in this area. Additionally there remains a continued commitment to supporting important projects around Wylfa including:

- North Anglesey Regeneration Plan in particular:
- New Business Units - Provision of business units on suitable sites in Amlwch (location & funding tbc) and other suitable locations as opportunities arise;
- Promote Private Investment – promote and support new investments in the area;
- Business Support – ensure to publicise support and advice for business starts and expansion;
- Education, Skills and Employability – develop skills and work experience for local people;
- Mynydd Parys – further develop potential of site as tourist attraction, and linkages to/from it;
- Cemaes Harbour Area - pursue opportunities to improve the attractiveness and economic value of the area;
- Anglesey Energy Island developments;
- Financial support for Mon Communities First initiative and in particular the provision of training aimed at equipping people on Anglesey with the necessary skills to enable them to secure jobs.

Current economic opportunities and 'Anchor Projects' at Trawsfynydd

The NDA has a history of providing socio economic support and funding to the area around Trawsfynydd and there remains an ongoing commitment to supporting important initiatives. Examples of such support in recent years includes:

- The STEM Gogledd project aimed at supporting STEM Education in Gwynedd, Anglesey and Conwy;
- Support to the Bala Lake Railway Trust aiming to extend a heritage railway to benefit employment and tourism;
- Continued funding of the successful Pathways to Employment Programme via the Outdoor Partnership.

Future anchor projects at Trawsfynydd will be focussed around renewable energy. Trawsfynydd forms part of the Snowdonia Enterprise Zone. Along with the NDA, Gwynedd Council is a key partner in this initiative. The vision for the Trawsfynydd part of the Snowdonia Enterprise Zone is that it will be:

“the preferred location for high quality low carbon technology enterprises, maximising the unique characteristics and strategic assets of the site; building upon its location at the heart of the National Park to help transform the area’s economic prospects”.

NDA has also supported a specific Trawsfynydd Transition Programme comprising:

- The development of Trawsfynydd Site for an SMR/AMR development – the allocation of resources to undertake de-risking activities on site to make the site more appealing for developers. There is an important contribution the NDA can make in facilitating such a development by, for example, facilitating any necessary works and also in its approach to asset Management. The NDA will ensure that wider associated NDA assets such as the lake, and Maentwrog infrastructure remains available as part of the overall strategy for the site;
- The development of the wider business environment in the region, to create high value jobs across a number of identified sectors;
- The development of rural/community based projects to create high value employment with a “bottom-up” approach.

The programme also supports the development of specific projects as part of the North Wales Growth Bid, as part of which:

- The development of Bangor University’s Nuclear Futures Institute will include facilities on Anglesey to compliment the proposed thermo-hydraulic facility to be housed at the MSParc facility as well as potential R&D work including support of the NDA and Decommissioning of Trawsfynydd and Wylfa;
- The provision of enhanced digital connectivity at key sites across the region, to include Trawsfynydd Site.

Future Socio Economic Strategy for North Wales

As well as continuing to support the work of the Snowdonia Enterprise Zone, the NDA will also seek to align with the North Wales Growth Deal. North Wales Growth Vision is the economic development strategy for the region which should provide resources to deliver some of the key strategic interventions.

The first wave of likely projects under the North Wales Growth Deal include:

- digital infrastructure;
- Trawsfynydd SMR;
- Nuclear Centre of Excellence (Bangor University/ MSparc);
- Holyhead Gateway;
- Land & Property Development;
- Smart Energy.

Scotland: HUNTERSTON A

There are currently 300 people employed at Hunterston A site and a further 500 employed by EDF at the adjoining Hunterston B site. In common with other Magnox sites, most of the work at the sites is highly skilled. 72% of the workforce lives in North Ayrshire.

Current economic opportunities and ‘Anchor Projects’

The NDA will align with local and regional economic strategies and major regeneration plans to support the local economy by:

- Working in partnership with local partners to increase the attractiveness of the region and assisting in the economic and environmental transition of the local economy by supporting the Strategic Development Areas within the Council’s Local Development Plan;
- This includes supporting the regeneration of strategic sites such as Lochshore, and the Ayrshire Growth Deal vision for the transformation of Ardrossan and Hunterston;
- Supporting the education, retraining and skills development of local communities alongside wider partners including Ayrshire College;
- Supporting local partners to understand the socio-economic impact of the future of Hunterston B;
- Partnering with the Council on implementing a Community Wealth Building approach to support local businesses, ensure fair and meaningful work and create successful places.

Future Socio Economic Strategy for Hunterston

For large projects, the NDA intends to work within the framework of the Ayrshire Growth deal. This growth deal, signed in March 2019, is Scotland's first non-city Deal. It includes a commitment of £103m from both UK Government and Scottish Government. Local authorities will match this up to £45.5m and the total deal is worth £251m over 15 years.

The aspiration of the deal is to unlock private investment of around £300 million and deliver around 7,000 new jobs across a wide range of sectors. The themes are:

- Aerospace and Space;
- Energy;
- Marine;
- Manufacturing;
- Tourism.

Scotland: CHAPELCROSS

Chapelcross is located in the south of Dumfries and Galloway, near the towns of Annan and Gretna. It is around 30 minutes drive from the centre of Carlisle. Dumfries and Galloway is a very agricultural area, with 28% of its business involved in agriculture, forestry and fishing.

The Chapelcross site is one of the NDA's largest. There is around 200 hectares of land. The site also has a number of strategic advantages, namely its proximity to the motorway and the city of Carlisle and also interconnection to the electricity grid.

Current economic opportunities and 'Anchor Projects'

The NDA is supporting the CX project, which aims to use land on and around Chapelcross for development into a regional employment centre focused on:

- Renewable energy;
- A manufacturing centre, especially for forest products;
- Industrial space;
- R&D space;
- Other miscellaneous size, including coal storage.

The CX project is the NDA's main priority in Chapelcross. However, we also continue to support smaller projects via grant allocations, examples of recent grants include:

- the Castle Loch Lochmaben Community Trust project to create a circuit of the loch and an outdoor learning programme;
- Dumfries and Galloway Young People's Service 'Youth Beatz';
- Annan Riding of the Marches.

Future Socio Economic Strategy for Chapelcross

The local council's economic plan focuses on 5 areas:

- Energy, particularly renewables;
- Creative industries;
- Forestry and timber technology;
- Transport infrastructure (in particular M74, A75, A77);
- Tourism;
- Food and drink.

Additionally, Chapelcross is identified as an important opportunity within the Borderlands Growth Deal, which straddles the local authorities north and south of the England/Scotland border.

NDA will continue to accept small and medium (up to £100,000) community led projects for grant funding for any good local projects. However, any larger projects must be in support of the CX project.

DUNGENESS

The Dungeness A and B nuclear power stations lie within the Romney Marsh and are situated within the Folkestone and Hythe District in Kent. The NDA Business Plan 2018 to 21 and Economic Assessment of Magnox Sites (2018) indicate that the Romney Marsh economy is highly dependent on the nuclear industry and this, coupled with a weak local economy, means that Dungeness is ranked as a high priority site for the NDA Group.

Decommissioning of Dungeness A commenced after the station ceased power generation in 2006 and Dungeness B is currently being operated by EDF until 2028.

Current economic opportunities ‘anchor projects’ at Dungeness

The main ongoing commitment from Magnox and the NDA is to continue support of the Romney Marsh Partnership, including the funding of a coordinator post. This is in addition to the provision of other grants to support local projects.

The Romney Marsh Partnership (RMP) is as a multi- agency collaboration of government, private and community organisations coming together to support local economic development to mitigate the effects of the closure of the nuclear power stations in Romney Marsh. The first Romney Marsh Socio-economic Plan (RMP) 2014 to 17 was developed and identified key opportunities to expand the local economy. This Plan was refreshed in 2017 and the most recent one covers the period to 2020. The Magnox socio-economic fund also contributes to providing other partnership resources, including funding towards an RMP Coordinator post which administers RMP and facilitates the implementation of projects in the Socio-economic Plan.

Future Socio Economic Strategy for Dungeness

The Socio-economic Plan is currently being reviewed for the next three year period and the future of RMP as an independent organisation is being considered. While the three overarching aims of the current Plan remain important, it is intended to focus the successor plan on fewer more transformative projects that address the key pillars of accessibility, infrastructure, skills, inward investment and business growth and productivity.

In particular, it will bring forward projects which:

- Maximise opportunities in the nuclear and tourism sector;
- Improve accessibility to enable better workforce and community mobility;
- Encourage and support business development;
- Realise the workforce potential through skills development;
- Enhance infrastructure.

Supporting the Romney Marsh Partnership is the NDA’s main priority at Dungeness A. The NDA will continue to accept applications for small and medium (up to £100,000) community led projects for grant funding for any good local projects. However, any larger projects must be in support of the economic priorities of local stakeholders and will be assessed using the identified framework.

WINFRITH

Formerly Winfrith Atomic Energy Establishment, or AEE Winfrith, the Winfrith site ceased operation in 1995 and decommissioning is due to complete in 2021.

Under the NDA Strategic Land Management Project Board (SLMPB) some of the land at Winfrith has been released for alternative use, including the Dorset Innovation Park, which has helped retain employment in the area.

Current economic opportunities and ‘Anchor Projects’ at Winfrith

The focus of recent socio economic support in the area has been grant allocations for local facilities including Winfrith Village Hall, Lulworth and Winfrith Primary School and Wool CE VA Primary School. The NDA will continue to make similar grant funding available.

Additionally NDA has been able to release land for Dorset Innovation Park Enterprise Zone - an advanced engineering cluster of excellence for the South West, building on strengths in marine, defence and energy.

A single site accommodating 50 hectares of land, of which 35 hectares is developable, it is the second largest strategic employment site in the Dorset LEP area and has been developed on land at Winfrith.

Future Socio Economic Strategy for Winfrith

As the main Economic Development Strategy for Dorset the Dorset LEP Strategic Economic Plan outlines the following economic ambitions:

- To provide a business environment that accommodates up to 40,000 additional jobs by 2021, with annual employment and GVA growth consistently above the UK average;
- Prioritise key sectors and high growth companies which strengthen the knowledge based economy in Dorset and provide higher paid and higher skilled jobs capturing national and international opportunities for Dorset’s businesses and supply chains;
- Exploit potential for high growth, high skilled and high value employment associated with priority sectors: Advanced manufacturing, creative and digital, marine, and healthcare technologies with an explicit aim to boost exports;
- Transform Dorset by leveraging its unique natural advantages. Bringing people and resources into the region through tourism-innovation, employer relocations and by attracting and retaining a talented workforce;
- Strengthen economic growth by continually improving connectivity through investment in transport infrastructure and services and new generations of digital infrastructure, including mobile technologies;
- Maximise the contribution of talented people and businesses in the conurbation and rural Dorset, linking our education and training systems to the needs and opportunities of a growing economy;

- Ensure that a sustainable, affordable and diverse housing market meets the needs of residents and employees relocating into the region, whilst in no way impeding economic growth.

NDA will seek to align with the Strategic Economic Plan and work with partners to maximise benefits of realisation of the plan.

HARWELL

Harwell was established in 1946 as Britain's first Atomic Energy Research Establishment. The site accommodated five research reactors of various types. Harwell also had a number of other nuclear research facilities, together with plutonium handling facilities, radioactive laboratories, nuclear waste treatment and storage facilities.

Decommissioning at Harwell is well underway. Two of the reactors have been completely removed, and the fuel has been removed from the remaining three which are now in decommissioning. More than 100 other facilities have been removed from the site and others are being decommissioned. Historic wastes are being retrieved from their existing storage locations and repackaged for longer-term storage - and eventual disposal. It is expected that decommissioning will be completed by 2025.

Current economic opportunities and 'Anchor Projects' at Harwell

Harwell Campus is Europe's largest collection of open access scientific facilities, worth over £2billion. Companies looking to grow at pace, or explore new markets, can advance their research, validate and test their technology, and tap into the knowledge and skills of the 5,500 people strong science and tech Campus community. Focusing on the core sectors of Life Sciences, Energy and Space, and with an estimated Gross Value Added of more than £1billion, these investments generate impressive returns in terms of job creation and national economic growth. Land at Harwell has potential to assist the further development of this important economic asset. Unusually for the NDA, it does not own the land it is decommissioning at Harwell. In this particular case it is owned by the UKAEA (UK Atomic Energy Authority).

Supporting the Campus is the NDA's main priority at Harwell. The NDA will continue to accept applications for small and medium (up to £100,000) community led projects for grant funding for any good local projects. Examples of such projects which the NDA has recently funded include purchase of equipment for Hendred

Community Choir and Harwell and Hendred Youth Football Club. However, any larger projects must be in support of the Harwell Campus.

Future Socio Economic Strategy for Harwell

The Oxfordshire LEP Strategic Economic Plan identifies the following themes being key to the economic ambitions of the area:

- People – delivering and attracting specialist and flexible skills at all levels, across all sectors, as required by our businesses, filling skills gaps, and seeking to ensure full, inclusive, employment and fulfilling jobs;
- Place – ensuring a strong link between jobs and housing growth, and providing a quality environment that supports and sustains growth;
- Enterprise – emphasising innovation-led growth, underpinned by the strength of Oxfordshire’s research, business collaboration and supply chain potential;
- Connectivity – enabling people, goods and services to move more freely, connect more easily; improving broadband and mobile coverage.

The NDA will seek to support future activities which align with these priorities.

South East England – BRADWELL and SIZEWELL

The NDA has 2 sites, Bradwell and Sizewell, which are important to the coastal economy covering the North of Essex and the Suffolk coast. Both sites are potentially the site of new nuclear developments and there are already significant off-shore wind developments. The pull of the London economy and other large construction projects presents a challenge to local communities.

Current economic opportunities and ‘Anchor projects’ in the South East

At Bradwell, the NDA has a continued commitment to the Maldon Sense of Place Board. At Sizewell the NDA has supported the tourist economy for example, by being a significant funder of the Long Shop Museum in Leiston.

The main focus of joint working between the local authorities in the region and the NDA over the next few years is likely to be in skills, particularly in the areas of engineering, construction and digital skills. NDA will prioritise Anchor projects around skills and education.

Future Socio Economic Strategy for South East England

Essex, Suffolk and Beyond Local Landscape

Suffolk and Norfolk have a joint Economic Strategy which aims to:

- help young people set their ambitions high and understand the exciting local careers available to them;
- inspire young people about the opportunities that exist and provide support to enable them to access them, including support into employment;
- expand the education pipeline within primary and secondary schools by engaging children in science, technology and engineering;
- deliver the youth pledge.

The draft Norfolk Local Industrial Strategy is the next stage in the evolving strategy which positions Norfolk and Suffolk as the UK's clean growth region. It focuses on

- clean energy;
- agrifood;
- ICT/digital creative;
- ports and logistics;
- culture and the visitor economy.

Suffolk specifics

'Raising the Bar' is Suffolk's programme to improve levels of educational attainment across the county. It is supported by the Suffolk SEND strategy. There is a clear local prioritisation of skills and education which NDA will seek to support.

Essex specifics

The South East Local Enterprise Partnership Skills Strategy identified the following:

- Priority to increase apprenticeships and industry relevant qualifications for all ages, particularly in priority sectors and at higher and degree level;
 - Need to simplify the skills landscape for employers, stakeholders and individuals;
 - Need to build an inclusive economy, creating opportunities for all;
 - Need to raise awareness of jobs and growth across the SELEP area and its size, scale, national and international significance;
 - Increase productivity driven by innovative businesses;
 - and people skilled for the future (tutor/assessor shortages, T Levels, utilisation of the apprentice levy, digital skills).
-
- Additionally over the next 5 to 20 years Essex will be home but not limited to:

- nine garden communities (240,000 homes anticipated);
- Lower Thames Crossing;
- Bradwell B;
- Significant highways improvements, including A130 and A12 and M11 junction improvements;
- A new hospital and Public Health England facility in Harlow;
- Stansted Airport Expansion to full capacity;
- A new train station in Chelmsford.

South West England – BERKELEY, OLDBURY, HINKLEY POINT A

Hinkley Point A, Berkeley and Oldbury were Magnox power stations located close to the mouth of the River Severn and the Bristol Channel. All three are currently being decommissioned.

Some land at **Berkeley** has previously been released for development of campuses by South Gloucestershire and Stroud College Commercial Services Ltd, and 32 hectares of land at **Oldbury** was de-designated in a two year project to support Nuclear New Build.

Current economic opportunities ‘Anchor projects’ in the South West

The NDA’s South West sites are already integrated into the wider EDF-led work at Hinkley C. In order to build on that positive momentum, the NDA’s priorities in the South West will be to work with partners on the following:

- Energy skills centre at the Bridgwater campus of Bridgwater and Taunton College and a **construction** skills and **innovation centre** and the southern component of the National College for Nuclear at the College’s Cannington campus;
- Magnox support for the Somerset education business partnership;
- Funding for a similar programme the “Education Inspire” programme financed by EDF in relation to Hinkley Point C;
- Targeted employment outreach with less advantaged communities – the Hinkley impact area includes rural and urban areas of need;
- Work with the National College for Nuclear southern campus at Cannington;
- Funding to support the equipment of the Somerset energy innovation centre with specialised robotics equipment for SMEs to access;
- Feasibility works to explore tidal power opportunities;

- Support for key sites in the Hinkley impact area e.g. Gravity adjoining M5 junction 23 and Nexus 25 by M5 junction 23 as well as developments at junction 24;
- Local initiatives to support sustainability, transport and rural access;
- Harbour infrastructure around Blue Anchor;
- Opportunities for joint work with Nuclear South West.

In addition to the priorities above the NDA will continue to fund local projects which provide socio economic and community benefit. Examples of recent projects include support to the Envision Community Apprentice programme, funding of the Stroud Ambitions Careers event and provision of sports equipment for teams near Hinkley.

Future Socio Economic Strategy for South West England

The emerging local industrial strategy for the Heart of the South West, which is also linked to our more local economic growth plans, will provide a basis for maintaining a shared understanding of the economic priorities for the area over time. Specific priority areas include employment and skills, enterprise and strategic opportunities.

Supporting the Local Industrial Strategy is the NDA's main priority, and a joint approach is proposed with the local authority partners to align priorities and interventions. Additionally the NDA will continue to accept applications for small and medium (up to £100,000) community led projects for grant funding for any good local projects. However, any larger projects must be in support of the LIS.

Section 3 – Individual projects

The NDA will continue to offer grant funding to local projects which are aligned with the regional strategies set out in section 2.

The NDA will support programmes and projects, but also feasibility studies, capacity building and evaluation. Over the next years, we expect to be able to attract in significantly higher levels of funding through joint working with local and national governments.

Budgets for socio-economic funding are decentralised across the NDA Group. There are 7 specific budget allocations in scope:

Site	Yearly socio-economic budget
Caithness and North Sutherland Fund	£300,000 (payments to be made until 2023)
Copeland Community Fund	£1,500,000 (payments via LLWR)
Dounreay Site Restoration Ltd	£500,000
Low Level Waste Repository	£35,000
Magnox Ltd	£1,000,000
NDA corporate centre	£2,500,000 (used mainly to supplement Magnox and Dounreay budget)
Sellafield Ltd	£10,000,000
Total	£15,835,000

Actual spend levels over the last 6 years have averaged at £11.7m and annual expenditure is variable (for example, £6.2m in 2015/16 and £23.1m in 2016/17). The level of activity and spend, in particular at Magnox, will depend on the level of economic activity around the sites (for example, demand for NDA socio-economic funding at Wylfa will change depending on the progress of Nuclear New Build). Improved process and the creation of a single committee to oversee all significant expenditure should increase efficiency and predictability.

We are not proposing amalgamating budgets, but think is important to clarify budget allocations for the sites. These should be:

Location	Yearly Allocation
Magnox sites	£1.5m to £2m (£1m to £1.5m from Magnox and £500,000 from NDA corporate centre)
West Cumbria	£11.5m (£10m Sellafield, £1.5m Copeland Community Fund and £35,000 LLWR)
Caithness	£1.8m to £2.3m (£1m to 1.5m from NDA corporate centre, £500,000 from DSRL, £300,000 from Caithness & North Sutherland Fund)
Total	£15,835,000

For funding, a decision making framework has been developed which sets out the key themes and principles which should guide our investment decisions and which aligns with the NDA Strategy and ultimately helps guide us to completion of our mission. We have developed a framework based on the National Audit Office criteria for Value for Money and adapted to our work in the local community. All of the NDA's work needs to represent value for money for the taxpayer and so needs to demonstrate:

- **Economy** - the minimum use of resources to achieve specified outcomes;
- **Effectiveness** - the relationship between outputs, e.g. services, and the resources used to produce them;
- **Efficiency** - the extent to which objectives are achieved and the relationship between intended and actual impacts of a service.



Figure 1 - NDA Decision Making Framework for funding projects

Principles and themes

The principles and themes are:

- **Resilient economies** - NDA and business enable and support the conditions for local wealth building, inclusive growth in local economic output, improved productivity and significant growth in key economic sub-sectors;
- **Thriving communities** - Resources, investment programmes and interventions are targeted to activities that provide the largest social impact and improve the financial sustainability of community organisations;
- **Sustainable Incomes** - Access and aspirations to work improve through a programme of high impact education, skills, personal development and employability support activities;
- **Sustainable growth** in a changing climate, reflecting the increasing importance of the climate agenda and trying to achieve economic, social and competitive advantage for our nuclear communities by integrating it early into our day-to-day activities and our socio-economic interventions.

Within our **grant function** we focus on:

- **Impact** - Focus on outcomes, service users and communities and not just outputs, process or inputs;
- **Priorities** - Focus on outcomes that are priorities in terms of analysis of greatest public need and priorities of governance group;
- **Take a long term view** - Optimise and balance whole life costs and control of costs;
- **Increase the efficiency of providers** - invest in capacity of providers, use competition, VfM studies.

In future all our businesses will make a distinction for the governance of different sized projects in order that controls are proportionate:

- Small grants of up to £1,000;
- Medium grants of between £1000 and up to £100,000;
- Large grants over £100,000.

Further details are set out in the accompanying guidance for practitioners document ([link here.](#)).

Conclusions

Over the next few years, there are a number of important changes to nuclear decommissioning in the UK.

At our largest site, Sellafield, an ambitious masterplan to reconfigure the site is being implemented. Activity on the site will be rationalised and there is a significant off-site accommodation strategy. The site will be one of Europe's largest construction sites, with significant new build facilities required to store nuclear waste and materials. The NDA is revising its approach to Magnox decommissioning and is actively looking at its role in supporting the future decommissioning of AGR stations (which are owned by EDF energy). Dounreay decommissioning should come to an end around 2030-35 and preparations need to be stepped up to diversify the local economy and support our workforce.

The NDA's economic regeneration work has a strong business rationale. Healthy local economies and communities are good for decommissioning, and decommissioning provides good quality employment and economic opportunities. Our demand for highly skilled workers can be leveraged by local schools and colleges to provide better services for the community as a whole. Crowding in of supply chain increases competition, productivity and opportunities for all.

Our partners in Scottish and Welsh Government, local authorities and economic development organisations (such as Highlands and Island Enterprise, Scottish

Enterprise and the English LEPs) have long-term plans which are well structured but flexible enough to allow us to integrate with their work. In consulting on this strategy, it has been clear that there is real appetite to further links in education and skills. There is also appetite to work together on reuse of NDA land and assets. There are further opportunities in low-carbon, both renewables and nuclear, innovation and infrastructure. And there are areas where the NDA can help these organisations to maximise on available funding opportunities in order to deliver transformational change and diversify the economy.

How we work needs to change. Feedback from partners and our own experience is that partners do not always have the capacity to turn high-level objectives into deliverable projects. This is understandable – local authorities and LEPs do not have resources on the off-chance that the NDA can support a project. The NDA and businesses therefore need to spend some time and resource helping local partners to develop business cases. We will build up our own capacity to contribute to large projects and to share expertise and experiences across our sites.

This is particularly important now that local councils believe capital budgets will be significantly increased (for example, through the shared prosperity fund, town centre regeneration, Coastal communities, BEIS programmes on low carbon).

In parallel to this strategy, the NDA will continue to undertake regular studies and economic work to inform strategy (e.g. recent economic study of Magnox sites). We will maintain a decentralised approach to decision-making on grant support, but introduce more standardisation, such as a common approach to procedures, decision-making and governance, including for funding of programmes and projects.

Finally, in recent years the NDA has made a conscious effort to provide more transparency and data about projects that it has supported and this information is all available on gov.uk. We will continue to ensure transparency to allow proper scrutiny of our work, but will also seek to improve the information we provide on the outcomes and benefits delivered through our new Socio Economic Strategy.