



**Cavendish
Dounreay
Partnership**
A partnership between
Cavendish Nuclear | Jacobs | AECOM

Dounreay Socio Economic Alliance

Dounreay Socio Economic Annual Review 2017-2018



Introduction

The Dounreay Socio Economic Alliance (DSEA) comprises of the:

- Nuclear Decommissioning Authority (NDA)
- Cavendish Dounreay Partnership (CDP)
- Dounreay Site Restoration Ltd (DSRL)

The three organisations work in partnership to support the socio economic activity in the Caithness and North Sutherland area led by the Caithness and North Sutherland Regeneration Partnership (CNSRP).



During this year, CNSRP reviewed and agreed the priority projects which they believe will have the biggest impact on the future economy for the area when Dounreay decommissioning reaches its interim end state. The priority projects include:

- Tidal energy
- Offshore wind
- Oil and Gas
- Space Satellite launch facility
- Business & Nuclear services
- North Coast 500

The CNSRP website – www.cnsrp.org – provides detail of the scopes of the work which will be undertaken by CNSRP partners to take forward these projects.



The DSEA has provided support to the CNSRP in two ways:

- Provision of funding for various projects
- Provision of staffing resource to support the various activities

CNSRP JOBS NEW/RETAINED 2017/18

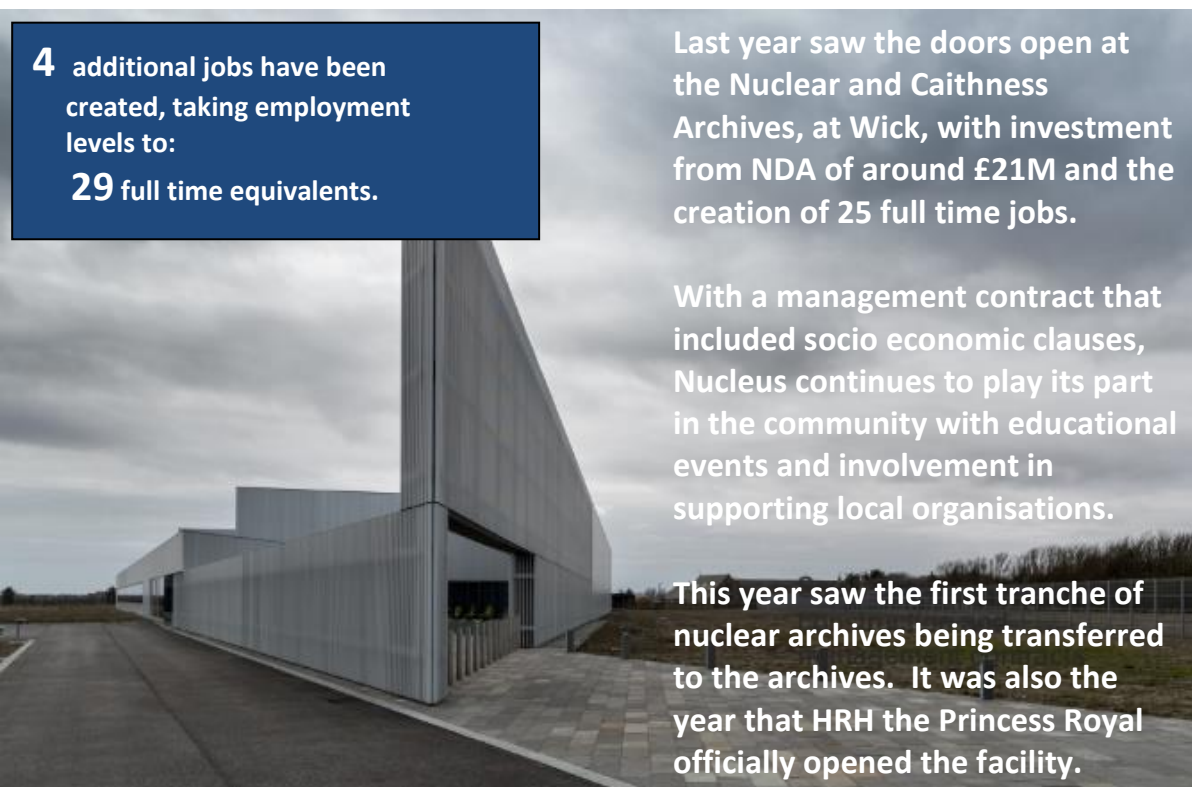
CNSRP considered and sets low and high targets on the potential jobs that could potentially be retained or created by delivering the priority projects identified and these are measured each year. Progress during 2017/18 is set out below.

Sector	CNSRP 3 year cumulative targets (2017-2019)		Year 1 (2017/18)	Year 1 (2017/18)
	(Low)	(High)	Retained jobs	New Jobs
Offshore wind	45	145	-	20
Tidal	0	10	-	-
UKVL	0	20	-	-
Nuclear / Business services	75	220	-	1
North Coast 500	30	100	-	-
Other Sectors	30	60	10	131
Local market	75	90	-	13
TOTALS	255	645	10	165

Dounreay SE Alliance Support to socio economic activities, 2017-18.

Projects

Nucleus



4 additional jobs have been created, taking employment levels to:
29 full time equivalents.

Last year saw the doors open at the Nuclear and Caithness Archives, at Wick, with investment from NDA of around £21M and the creation of 25 full time jobs.

With a management contract that included socio economic clauses, Nucleus continues to play its part in the community with educational events and involvement in supporting local organisations.

This year saw the first tranche of nuclear archives being transferred to the archives. It was also the year that HRH the Princess Royal officially opened the facility.

Cavendish Nuclear Project

Cavendish Nuclear continues to explore the potential for a Support office in Caithness to support nuclear new builds in the UK. This has continued as a 'desktop' exercise at present due to the timing of the Dounreay decommissioning programme. This year saw the development of a 'plan on a page' provided to Cavendish Nuclear for approval to proceed.

0.2 fte PBO representative

Secondments

Secondments to support the delivery of CNSRP priority projects have continued during this year:

- **Cavendish Nuclear:**
 - provide consultant support to act as the interface between CNSRP and Cavendish Dounreay Partnership. The individual has supported CNSRP in a number of activities including:

0.3 fte PBO representative supporting CNSRP Programme Manager activities and support to priority projects.

- Revamping of the CNSRP website.
 - Development of scopes and programmes for the various workstreams identified.
 - Development of the process to allow a CNSRP funding group to form so that best use of the partners funding can be identified.
 - Ad hoc support for the various priority projects.
- On behalf of the Cavendish Dounreay Partnership, the Cavendish Nuclear secondee (0.5 fte) continued throughout this year to support Wick Harbour Authority’s business case to become the operations and maintenance base for the Beatrice Offshore Windfarm which has now been secured. Further work is ongoing as Moray East considers their base for an offshore wind development close by.
 - A Cavendish Nuclear secondee (0.1 fte) has also continued to support the Community Sports hub project.

“The secondment of Shona has been a key component in our successes at Wick Harbour in bringing BOWL Operations and Maintenance base to Caithness. With the Harbour team being small and the Board staffed by volunteers it was vital to have had a very capable Project Management person such as Shona to ensure we delivered documents and commercial business plans on time and to a high standard.

Shona has provided us with a wide ranging skillset that Wick Harbour has greatly benefited from as we moved towards financial stability. We could not have done it without her and we are also very pleased that she chose to join the Board in her own right on her own time. As ever we are very grateful to all the agencies that help us at the Harbour and in particular to Cavendish Nuclear for the use of Shona’s time”

Willie Watt, Chairman Wick Harbour Authority

- **Dounreay Site Restoration Limited (DSRL)**

DSRL:

- Provided support to the inward investment activity with a secondment of a 0.5 full time equivalent. This work crosses over most of the priority projects and this year has concentrated on the space, oil and gas sector and business services.
- Provided secondment support (0.4 fte) to North Highland College, UHI to support the senior phase programme designed to support pupils with their school senior phase programme.
- Through the new graduate scheme re-introduced at Dounreay, five graduates took up an offer to undertake a piece of work to explore whether there was potential business(es) in alternative energy.

Dounreay Socio Economic Alliance support with secondments:

2 full time equivalents directly support CNSRP activities.

This equates to approximately:

£100,000 in staff costs

Funding support

The three year (2017 to 2019) CNSRP programme identified a number of priority projects. Funding from the NDA and DSRL was provided to support these programme of activities.

Caithness Transport Forum



£10,000 from Dounreay.

Part funding alongside The Highland Council, Stagecoach and ScotRail Alliance.

8 meetings held

Road:

- Killmster Moss: facilitated dialogue on road closures.
- Berriedale Braes: procurement stage with 4 bidders.
- Secured attendance of Transport Scotland Road rep.
- Worked with Stagecoach and Highland Council to understand/mitigate impacts of bus service changes to North Highlands.

Sea:

- Responded to Road Equivalent Tariff for Northern Isles Ferries.
- Input into initial consultation on ferry procurement (met with Transport Minister).
- Lobbied & challenged Transport Scotland in regard to inadequate ferry replacement of Hamnavoe dry docking.

Rail:

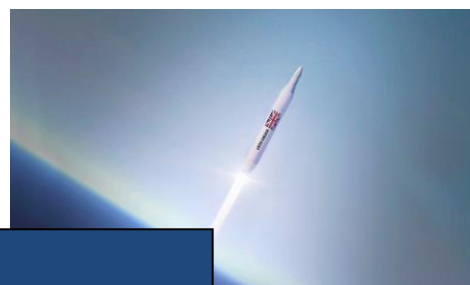
- Fencing railway/Thurso High School.
- Challenged on lack of catering service.
- Input into Far North Rail Review Group.
- Input into Sleeper Service consultation.

Air:

- Retention of H&Is Exemption for Air Departure Tax (ADT).
- Secured funding for air study (route development).
- Lobbying for Air Traffic Management to be located at Wick for HIAL airports.

UKVL Project Management Services

The project is being led by CNSRP partner, HIE, and is looking at the development of the potential creation of a facility on The Moines, North Sutherland to launch small payload (<500kg) satellites.



£100,000 Dounreay funding

Impact of funding support:

- Procurement of Project Management Services Consultants.
- Robust delivery programme in place.
- Risks and mitigations identified & agreed.
- Strategic Outline Case produced.

Business Mentoring Support

Through a project jointly funded by the Nuclear Decommissioning Authority (NDA) and Dounreay Site Restoration Limited (DSRL), Caithness Chamber of Commerce is offering business support and mentoring aimed at aspiring businesses in the Caithness & North Sutherland area.

For those considering setting up a business (either full or part time), the Chamber is able to offer guidance and support in a number of areas.

£97,549	Total NDA/Dounreay funding (since 2014)
£15,000	Dounreay funding (2017/18)
Impacts (from 2014 to date)	
41	Companies now trading
43	FTE within new businesses
170%	Return of Investment (based on average earnings of £5k pa
13	DSRL personnel provided with support
5	Dounreay supply chain related personnel
Those participating received:	
80.5	hours of initial advice
305.5	hours of further advice and mentoring
107	individuals through initial advice
7	successful applications through Caithness Business Fund
3	successful applications going through Baillie Wind Farm
1	NHRF loan in principle

North Highland Regeneration Fund

The NRHF was established by the NDA to provide loan funding complementing other existing sources of funding for small businesses. The initiative is designed to pump-prime both the start-up of new ventures and the growth of existing businesses as part of the drive to replace the jobs when Dounreay is decommissioned. This year saw a change of focus with the ability to potentially provide loans to tourism businesses to support the North Coast 500.

£18.5M	NDA Funding since conception
For 2017/18:	
£150K	total loans
6	jobs created
5	jobs secured

Airport survey

On behalf of CNSRP, the Caithness Chamber of Commerce commissioned an air services study by an aviation consultant to determine the viability of the current services operating from Wick John O’Groats Airport and to explore the feasibility of a shuttle type service to Inverness and to carry out a high level economic impact assessment. The reported, finalised in February 2018, is now being discussed with CNSRP to agree the next steps.

£15,000 Dounreay funding

135 responses to survey

26 responses on behalf of business

63.6% very likely/likely to consider using Inverness route if affordable.

Wick Harbour Authority high water gate design/build

In addition to the Cavendish Nuclear secondment support to the business planning for Wick Harbour, the DSEA has also committed funding to support the



Artist's impression of finished BOWL operations and maintenance base at Wick Harbour

DSEA partner funding:

£125,000 Dounreay funding to support design work.

£1M committed by NDA to part-fund build.

operations and maintenance base at Wick Harbour for offshore renewables. Discussions are ongoing with funding partners to support the design and build of a high water protection gate.

Tidal operations and maintenance strategy development

£20,000 Dounreay funding

During 2017/18, CNSRP requested financial support to develop a tidal operations and maintenance strategy. This will

help inform a cost effective solution to Meygen’s current operations and maintenance arrangements. Part-funding of this activity was committed during this year and is likely to be spent in 2018/19. HIE will provide match funding.



Offshore wind – supply chain gap analysis

£50,000 Dounreay funding

To build on the success of Wick Harbour Authority to capture the SSE offshore wind operations and maintenance base it is recognised that there may be gaps within the local supply chain



capability to deliver all aspects of this from the county. CNSRP requested support to part-fund a supply chain gap analysis to identify where the local supply chain has the ability to support these operations but equally where gaps exist. This will allow a focussed inward investment campaign looking to encourage companies who have the capabilities identified as current gaps to think about setting up a presence in the local area. The funding of this was agreed and committed in 2017/18 although work to carry out this analysis has been deferred to 2018/19.

Caithness Horizons

Caithness Horizons continues to operate with the Dounreay collection as part of its visitor experience. During this year the final annual payment of £90k as part of an historical 10-year commitment was provided.

Discussion with Caithness Horizons regarding an ongoing commitment for funding has taken place over the year to reach a more sustainable business case for the longer term. With this in mind Caithness Horizons requested additional funding during 2017/18 for a business consultant to support the development of Caithness Horizon's operating plan for the future. The Business consultant has been in place since November 2017 and the operating model is currently under development. A commitment of funding for 2018/19 has been made with Dounreay and The Highland Council, in order to allow Caithness Horizons time to fully develop a more sustainable operating model / operating model that is less reliant on funding

£90,000 operational costs

- Ongoing discussions re long term sustainability.

£30,000 for business development consultant.

- Production of 2018 operating plan

Scrabster Harbour Trust – project management support

Scrabster Harbour Trust is undertaking a two stage project to carry out preliminary works to inform the development required for the St Ola Pier. The preliminary works will concentrate on engineering feasibility, potential consenting and geotechnical site investigations. The work is required to understand the physical scope of the project and to determine its affordability. Depending on the outcome of the preliminary works, plans to develop the St Ola Pier will come forward seeking substantial investment. Part-funding of the preliminary stage of this project has been committed by NDA.

£150,000 NDA funding

Skills agenda

The skills agenda is seen as an integral part of the future and is identified as a key enabling project to ensure the required future skills are available. Dounreay and the local supply chain play a significant role in the skills agenda in many ways including through the following initiatives:

Developing the Young Workforce (DYW)

Highland: This aims to develop better partnership working between employers and education



providers to ensure that education

focuses on employment and progression in learning to allow young people leaving school and college to be better prepared for the world of work. The initiative,

funded by Scottish Government and the Nuclear Decommissioning Authority is now in its third year and is managed by the Caithness Chamber of Commerce. A DSRL representative continues to sit on the DYW Board.

9 DYW Business Ambassadors inducted

3 local schools provided with mock interviews.

STEM: In April 2017 a new STEM Coordinator came into post and has further developed the already strong STEM Ambassador programme. The aim of the STEM programme is designed to inspire school children to follow career paths in these subjects.

Throughout this year, DSRL has

- Grown its STEM Ambassador network
- Implemented the key ambassador programme, and
- Coordinated or supported activities within the Dounreay Travel to Work Area.

88 Registered Dounreay STEM ambassadors

24 STEM Ambassador increase (2017/18)

New STEM leaflets designed and distributed around site, schools and use at corporate events.

Key ambassador programme: A new programme was piloted during the academic year.

16 Dounreay Ambassadors taken up role of key ambassador.

Caithness and North Sutherland primary and secondary schools have each been allocated a Key STEM Ambassador. The aim is to provide an identified point of contact for each school as a first point of contact that will ensure

teachers are fully aware of the resources available to them and how the STEM ambassador programme can support them in their delivery of the curriculum with regards to STEM.

Greenpower goblin cars: Car kits have been provided to four primary schools to build a sit-in car with two schools being supported by



Dounreay Apprentice STEM Ambassadors.

The apprentices helped the pupils build the car, encouraged teamwork, hand skills and engineering principles. All four schools will attend the final in Alford in June 2018.

55 pupils supported by Dounreay Apprentice STEM Ambassadors

CREST awards: DSRL apprentice ambassadors are running CREST Awards in three local primary schools, involving 61 pupils. This is an investigation based scheme, where pupils complete eight tasks spread over a period with the guidance of the ambassadors, leading to the completion of a Star or Superstar Award, depending on age. All pupils are registered with CREST.



Planet pioneers: Primary 4 to 7 pupils from four local schools participated. The aim was to investigate, in teams, the travel and environment of other planets in the Solar System, with a view to travelling and staying in their planet for a year. This project involves a lot of investigation and interesting science with six DSRL ambassadors involved as “consultants”. The project has been running throughout the year and will complete around May 2018. 75 pupils have been involved with the aim of supporting the transition into high school and introducing them to STEM professionals from local industries.

Natural disasters: Two DSRL STEM ambassadors have developed and are delivering this project to P5-P7 pupils in Newton Park Primary School.

K’Nex: Two DSRL ambassadors have been using K’Nex to run mechanical engineering workshops at Mount Pleasant Primary School.

Career talks: A local DSRL Graduate Ambassador gave a well-received talk in September 2017 to S6 pupils at Thurso High School on their experience of university life coming from a small community.

Environmental remediation: DSRL Graduate Ambassadors developed a game where pupils investigate issues associated with remediation of areas around a fictional area being decommissioned. This has been delivered to students at North Highland College with a view to rolling this out to local high schools during 2018.

Caithness Science Festival: Around 10 DSRL ambassadors were involved in the family day in March at Wick High School, with new activities being developed. DSRL Apprentice STEM Ambassadors provided support activities throughout the festival while three female STEM Ambassadors supported talks to Brownies and Girl Guides on STEM careers.

200 pupils attended the Caithness Science Festival



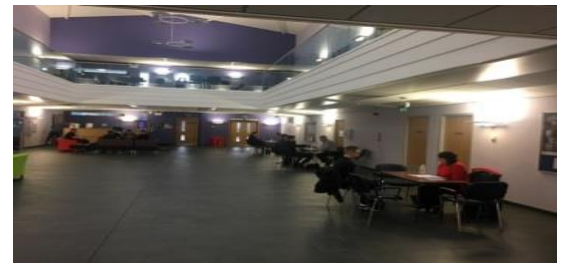
Caithness Science Fun Day: Dounreay hosted a stand run by STEM Ambassadors offering a variety of STEM activities.

Engineering Industry Day:

45 pupils attended

DSRL, along with other local supply chain companies and

North Highland College UHI, delivered this event to S4-6 pupils from Thurso, Wick and Farr High Schools to prepare pupils for apprenticeship applications, including application form review, CV writing skills, interview techniques and information on the different routes into engineering.



Networking event for female ambassadors: Two DSRL female apprentice STEM Ambassadors attended a networking event hosted by Equate Scotland for female Modern Apprentices working in science, engineering, tech, construction and the built environment.

Science project: Three DSRL Ambassadors delivered a science project to P5 Pennyland Primary School pupils. The project focussed on space and was developed two new ambassadors working together with an experienced ambassador.

STEM resources: A review of the library of STEM resources stored at Caithness Horizons and available to teachers and local STEM Ambassadors has been undertaken and developed.

People Like Me: This initiative provides support for the recruitment of girls into STEM subjects post-16 and focusses particularly on those that do not typically choose topics such as physics and engineering. Aberdeen Science Centre STEM hub delivered the training course to 22 DSRL STEM Ambassadors.

STEM talks to junior secondary pupils: DSRL and Nuvia STEM Ambassadors delivered separate talks to S1/S2 pupils at local secondary schools to encourage them to study STEM subjects.

260 pupils attended

S3 visit to Dounreay: Dounreay hosted a visit to the site for

74 pupils visited over
2 days.

S3 pupils from local secondary schools who have an interest in engineering and/or science. The aim of the visit was to provide an

insight into a real engineering project, visit the laboratories and speak to engineers/chemists.



Scottish Design Relay: Four Dounreay Apprentice STEM Ambassadors from the design office participated in the Scottish Design Relay. They worked with V&A Museum of Design in Dundee to create a new travel app to promote the natural and manmade attractions of Caithness.

Ready Steady Work: DSRL with support from North Highland College UHI delivered the four day course in July 2017 with the aim of preparing senior school pupils for employment.



6 pupils attended
62 pupils completed
course since 2012.

North Highland College UHI/Dounreay Working Group: A working group was established in December 2017 to strengthen the business and working relationship between North Highland College UHI and Dounreay. The small team involved have been exploring areas of enhancing skills where there is mutual benefit to Dounreay and NHC/UHI with the underlying aim of securing a lasting legacy post Dounreay. During this year two meetings have been held which has concentrated on the types of skills to allow the decommissioning to continue and to identify areas where training/upskilling may be required.

Maximising the benefits from Dounreay decommissioning

Procurement: Dounreay contracts now include a socio economic clause. Where a contract value is at least £500,000 (for supplies and services) and £1M (works) all bidders are required to submit evidence of understanding the socio economic landscape of the local area and provide examples of where they have provided benefits elsewhere. Once a contract is awarded, the successful bidder is required to honour the commitments set out in its submission.

Dounreay is committed to maximising opportunities for small and medium-sized enterprises (SMEs).

Small and Medium Enterprise (SME) Spend:

41% SME spend
25.5-29% NDA target

DSRL's SME spend 2017/18

£141.11M	Total spend
£42.07M	SME Spend

Of top 20 suppliers:

- 12** Suppliers have local office/base
- 3** SMEs
- 8** Contracts assessed for socio economic benefit

Larger suppliers are encouraged to consider SMEs within their sub-contracting opportunities directly and indirectly through the supply chain. Procurement activities for 2017/18 are given below:

This year, LINC (liaise, innovate, network and collaborate) was launched as a Dounreay initiative to enable and promote commercial collaboration between SMEs.



Two opportunities so far have allowed a number of companies, including some who haven't worked within the industry below, to submit innovative and cost-effective solutions to technical problems. More than 100 companies have registered for the scheme which has also now been introduced at Sellafield.

2 LINC projects launched

Growing the pipeline of skills: Dounreay has continued to recruit with 8 (apprentices) and 10 (graduates) employed during 2017. These young people are gaining the hands-on experience while continuing with their studies and the training provided now should equip them for future employment as the site job numbers start to decline.

35 apprentices progressing through apprentice scheme during 2017/18
8 new apprentices
10 new graduates

During 2017/18, 11 apprentices completed their training and all were offered employment on the site.



Heritage

Throughout the year, the site continued to deliver its' heritage strategy in a number of ways including:

- The donation of objects to Caithness Horizons
- The collection of objects ready to donate
- The collection of memories from staff leaving site
- The completion of oral history recordings/transcripts which were subsequently handed over to the Caithness Archive at Nucleus.
- Former and current employees, plus members of the public, were interviewed by BBC Radio Scotland for a social history programme called 'Our Story'. It covered current impressions and past memories of the impact that Dounreay had on Caithness. The 30 minute programme was broadcast on 15th August 2017.
- Four Dounreay apprentices worked with young people and the V&A Dundee museum on the Scottish Design Relay project to create a prototype featuring the Dounreay Fast Reactor sphere for display in the V&A Dundee museum which opens in September 2018.
- Heritage information was shared with Sellafield and a nuclear legacies project researcher from Sodertorn University in Stockholm.
- The Heritage officer hosted a site visit by Ann Gilfillan who has recently undertaken a PhD with UHI. Her thesis is entitled "Archiving a nuclear past: exploring the nuclear energy industry and its community impact in Britain." This thesis will examine the impact of the nuclear energy industry on the communities of Britain and consider how this history is collected and curated for wider social benefit.
- The Heritage Advisory Panel continues to meet and provide an exchange of information.

28 objects donated

16 objects collected

17 completed memory forms

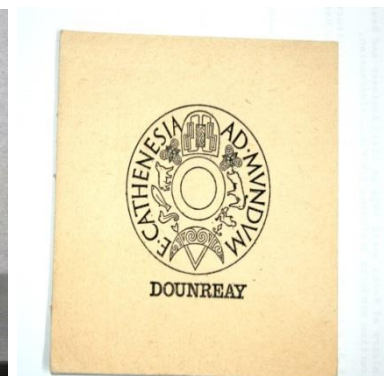
24 oral history recordings/transcripts



British Safety Council (2009)
safety award



Hand held radiation monitors
(RO2 ion chambers)



Dounreay drink mat

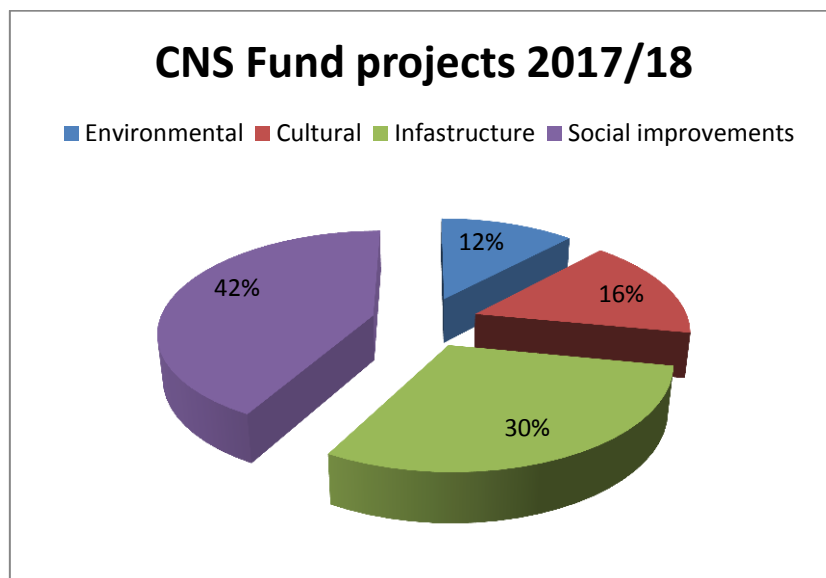
Supporting local charities/organisations

Caithness and North Sutherland Fund

The aim of the CNS Fund is to distribute funding to community organisations for projects that will increase the attractiveness of Caithness & North Sutherland as a place to live, work and invest in, with particular emphasis on achieving environmental, social, cultural and infrastructure improvements.

2017 marked the half way point for the Fund's lifetime. Support has been provided to wide ranging community projects that deliver long term improvement impacts throughout the Dounreay travel to work area.

£4M	Dounreay funding (total)
130	projects supported
£1,673,669	funding committed
Levering: ~£7M	estimated total value



Dounreay Community Fund:

The Dounreay Stakeholder Group continued to oversee the funding applications.

DSRL funding
£20,000 support provided
91 organisations supported



New training tops for Lybster FC.



Wick Junior Triathlon - September 2017

Dounreay Employees Charity:

Staff working on the Dounreay site voluntarily give a monthly donation towards various charities. A committee comprising of the Dounreay workforce meet quarterly to review and agree donations.

£10,000 support provided
24 organisations supported



Other fundraisers:

Throughout the year members of staff, departments or the site as a whole continue to support a number of charities with baking stalls, etc. During the year it is estimated that £10,000 was raised and donated to a number of charities.

Cavendish Dounreay Partnership organised a festive lunch for the workforce with senior managers and leadership team members serving the lunch. In return the workforce is encouraged to contribute to a charity which is selected. This year the chosen charity was the Caithness Food Bank.

£10,000 additional support to various charities.

£3,225 Caithness Foodbank raised by workforce from Festive lunches.