



NRS
Dounreay

Socio-economic impact strategy

2025/6 - 2027/8



Vision - at NRS Dounreay we are determined to deliver the maximum positive social impact for the communities in Caithness and north Sutherland from the significant public investment made in our mission each year.



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Commitment

At NRS Downreay we will deliver the maximum positive social impact for the communities in Caithness and north Sutherland from the significant public investment made in our mission each year.

Our strategy for the area is to contribute to maintaining and developing skills, contribute to the economic and social infrastructure, and support the diversification of the local economy into other sectors. We will progress our aims principally through continued support for Focus North in delivering against their priority themes and opportunities.

Using the interventions available we aim to leverage the maximum commitment from the private and public sector, to build sustainable communities in Caithness and north Sutherland.



Context

NRS Downreay has been a dominant driver in social and economic development in Caithness and north Sutherland since construction of the site began in 1955.

Through the decommissioning phase of the lifecycle, NRS Downreay continues to bring significant social and economic benefit, the magnitude of which is amplified through our local employment and supply chain.

NRS Downreay supports a wide range of companies and SMEs providing further indirect employment. A core component of NRS Downreay socio-economic impact is through the direct purchase of goods and services, through our supply chain. A significant amount of expenditure is with companies owned or resourced from within Caithness and north Sutherland.

In addition, NRS Downreay undertakes socio-economic interventions utilising grant funding and partnership working. NRS Downreay and the NDA undertake complementary activity in the area with these additional interventions underpinned by the legal duty set out in the Energy Act (2004). The Act ensures NRS Downreay has regard for the impact of its activities on communities living near its site, as well as the wider responsibilities all public bodies have under the Public Services (Social Value) Act (2012).

For NRS Dounreay, near site communities are considered to be those in Caithness and north Sutherland. Whilst Caithness and north Sutherland have many long running socio economic challenges it is now widely accepted that there are increasingly significant opportunities present in the area.

Recognising that diversified economies bring resilience, we will help to develop the conditions needed for improved productivity, supporting growth of the local economy and the wider nuclear sector through the tools, enablers and activity set out in this strategy.

This strategy aligns with the Nuclear Decommissioning Authority Strategy (2021)¹ Socio-Economics Objective 8.10:

To support the maintenance of sustainable local economies for communities living near NDA sites and, where possible, contribute to regional economic growth.

This strategy is also aligned to the NDA Social Impact and Communities Strategy (2024)² and the NRS Sustainability Strategy.



Socio-economic tools

NRS Dounreay has a range of socio-economic 'tools' to enable the delivery of positive social and economic impact. These are:

NRS Dounreay socio-economic grant funding

NRS Dounreay socio-economic funding is governed by guidance set out by the NDA. This guidance has been published to encourage transparency and joint working between stakeholders³.

NRS Dounreay has an annual budget for socio-economic grant funding which provides capital and revenue funding for local initiatives. The budget is reviewed annually. NRS Dounreay socio-economic funding is available for:

- large projects – NRS Dounreay contribution over £200,000
- medium projects – NRS Dounreay contribution between £10,000 and £200,000
- small projects – NRS Dounreay contribution up to £10,000

¹ NDA strategy 2021

² NDA social impact and communities strategy

³ NDA group socio-economic grant funding programme: guidance - GOV.UK

The socio-economic grant funding budget includes the Downreay Communities Fund (DCF). The DCF supports small projects with an individual project value up to £7,500 and is administered through the Downreay Stakeholder Group's socio-economic Subgroup.

NDA socio-economic funding

The NDA corporate centre has an annual socio-economic budget which is in part used to supplement the NRS Downreay socio-economic budget. This supplementary funding is governed under the same rules as the NRS Downreay socio-economic funding and is generally used to fund projects in the 'large' and 'medium' projects categories.

The NDA also supports the area local to NRS Downreay through the Caithness and North Sutherland Fund (CNSF), a community funding package agreed as part of the construction of low-level waste facilities at Downreay. CNSF has an independent board with NRS Downreay and NDA observers and is administered independently.

North Highland Regeneration Fund (NHRF) is a company limited by guarantee set up by the NDA to assist in the discharge of the NDA's socio-economic functions. NHRF operates independently of the NDA but adheres to the same principles. Funding is provided on a loan basis to complement other existing sources of funding for small businesses.

Social value

The Public Services (social value) Act 2012 requires public authorities and their respective arm's length organisations, such as the NDA and NRS Downreay, to have regard to economic, social, and environmental well-being in connection with public services contracts.

NRS Downreay utilises Procurement Policy Note 002, Taking Account of Social Value in the Award of Central Government Contracts, for the procurement of works, goods and services to deliver additional socio-economic benefit to the area. NRS Downreay also utilises social value commitments prior to PPN002 to deliver social value on legacy projects.

Social capital

NRS Downreay employs a significant proportion of the local labour market. Staffing levels are not expected to change significantly for the duration of this strategy. NRS Downreay's diverse and highly skilled workforce is able to deliver social capital through the provision of labour-based interventions for the local community such as facilitating volunteer opportunities and secondments utilising working hours.



Strategic enablers

NRS Downreay has identified four strategic enablers to underpin the planned activity through the period of this strategy.

Greater community engagement

NRS Downreay will commit to a complementary and collaborative approach to community engagement, identifying and delivering the best programmes and interventions to assist the area achieve sustainable outcomes.

Maximising community benefit

NRS Downreay will seek to maximise the benefit that delivering the mission brings in supporting achievable sustainable outcomes for our local communities by integrating social and economic considerations into decommissioning decision making.

Aligning funding initiatives

NRS Downreay will facilitate optimising internal and NDA funding streams with social value commitments from supply chain partners through the procurement process to deliver maximum benefit for the area.

Leveraging public/private partners

NRS Downreay will positively influence alignment of external public and private sector funding streams to achieve the greatest local impact. Private sector partners will include businesses with complementary socio-economic aims and ambitions.



Goals and objectives

The following goals and objectives will be progressed through the period of this strategy. The NRS Downreay goals are aligned with the United Nations sustainable development goals:

Goal: Partnership working

NRS Downreay has a strong ethos of collaboration and working relationships across partners and stakeholders. NRS Downreay recognises the importance of encouraging transparency, engaging with regulators, and partnership working.

Planned objectives:

- review and refresh ongoing support to local partners and stakeholders to ensure support is relevant and proportional
- improved communications to ensure equitable access across partners and stakeholders to NRS Downreay socio-economic support
- improved access to information on NRS Downreay socio-economic support and outputs

Focus North is the primary delivery partner for place-based initiatives in Caithness and north Sutherland.

NRS Downreay utilises socio-economic grant funding to support the management of Focus North (previously the Caithness and North Sutherland Regeneration Partnership), with additional NDA socio-economic funding available to support activity for the partnership.

Focus North is an informal partnership established to deliver transformational initiatives in the north of mainland Scotland to generate economic growth and lead the low carbon economy.

The goals are to:

- develop a fairer, resilient, more balanced economy
- expand the working population
- grow and diversify a sustainable economy
- increase the number of private sector businesses operating locally
- attract investment

The vision is that Caithness and north Sutherland will be a sustainable region, providing a healthy, economically stable environment for its growing population. Its network of thriving communities will reflect the rich heritage and varied landscapes.

The partners are NRS Downreay, the Nuclear Decommissioning Authority (NDA), Caithness Chamber of Commerce, Highlands and Islands Enterprise, The Highland Council, Skills Development Scotland, UHI North, West and Hebrides and the Scottish Government.

Aligned with UN Sustainable Development Goals: Goal 16: Peace, Justice and Strong Institutions, Goal 17: Partnerships for the Goals.

Goal: Reduced social inequalities

NRS Downreay recognises that as a key stakeholder, large employer, and socio-economic funder in the area that there is a significant role to play in reducing inequalities in Caithness and north Sutherland.

Planned objectives:

- fund Focus North activity that achieves the agreed goal of developing a fairer, resilient, more balanced economy
- undertake activity to identify the scale of inequality in Caithness and north Sutherland and develop a co-created register of inequality reduction projects to align social value commitments to
- continue socio-economic grant funding of projects which reduce social inequality

In reducing social inequalities NRS Downreay aligns with UN sustainable development goals: Goal 1: No poverty, Goal 2: Zero hunger, Goal 3: Good health and wellbeing, Goal 5: Gender equality, Goal 8: Decent work and economic growth, Goal 10: Reduced inequalities.

Goal: Improved skills and innovation

NRS Downreay recognises that as a large employer with internal and external skills and training development programmes, a socio-economic funder, and site with complex decommissioning activity in the area there is a significant role to play in improving skills and innovation in Caithness and north Sutherland.

Planned objectives:

- develop skills and talent attraction outputs from Focus North activity and identify support hub resources needed to implement recommendations
- commit to develop a new NRS Downreay STEM strategy within the first 12 months of the new strategic plan
- commit to working with the academic sector on socio-economic innovation, including work on measuring and evaluating NRS Downreay's public value

In improving skills and innovation NRS Downreay aligns with UN sustainable development goals: Goal 4: Quality education, Goal 9: Industry, innovation and infrastructure.

Goal: Sustainable social fabric

NRS Downreay recognises that as a large employer, with a footprint that extends beyond site, and with links to the NDA as landowners that there is a significant role in supporting the social fabric of the area. There is also significant positive impact that can be gained in areas such as transport, communications, and infrastructure from NRS Downreay's influence.

Planned objectives:

- integration of NRS Downreay's sustainable travel plan into wider Focus North transport strategy
- audit of NRS Downreay's socio-economic funding into transport initiatives with the view to refresh activity
- develop a plan to integrate NRS Downreay's diversity, inclusion and wellbeing activity into NRS Downreay's socio-economic activity

In supporting sustainable social fabric NRS Downreay aligns with UN sustainable development goals: Goal 11: Sustainable cities and communities.

Goal: Responsible consumption and land use

NRS Downreay recognises that it is a significant asset manager, and purchaser of goods and services, and that there is scope to leverage site activity and the supply chain to stimulate circular economy principles, with strong local socio-economic support

Planned objectives:

- utilise social value commitments to increase supply chain resilience and capacity and stimulate effective stewardship of the environment
- integrate socio-economic and sustainability outcomes in NRS Downreay's asset management processes
- develop a plan for maximising socio-economic benefit from forthcoming biodiversity enhancement initiatives

In achieving responsible consumption NRS Downreay aligns with UN Sustainable development goals: Goal 12: Responsible consumption and production.

Goal: Climate and environmental action

NRS Downreay operates in a legislative environment where carbon reduction and net zero are increasingly integrated across business activity. NRS Downreay also recognises that the supply chain can be supported in achieving net zero through procurement and support local communities in achieving net zero through socio-economic support.

Planned objectives:

- support Focus North to develop net zero industries in the area, maximising local supply chain content and local benefit
- utilise social value commitments to increase supply chain resilience and capacity and stimulate effective stewardship of the environment through the reduction of carbon emissions
- integrate socio-economic considerations into NRS Downreay procurement of energy and environmental goods and services

In undertaking climate and environmental action NRS Downreay aligns with UN sustainable development goals: Goal 6: Clean water and sanitation, Goal 7: Affordable and clean energy, Goal 13: Climate action, Goal 14: Life below water, Goal 15: Life on land.



Monitoring, reporting and transparency

The Dounreay Stakeholder Group (DSG) is an independent body whose role is to provide public scrutiny of the NRS Dounreay site by providing an active, two-way channel of communication between the site operators, the Nuclear Decommissioning Authority (NDA) and local stakeholders. The ministry of defence site Vulcan is also part of the remit of the DSG.

Socio-economic activity is reported on quarterly to the DSG socio-economic subgroup.

Annual socio-economic review

NRS Dounreay will publish an annual socio-economic review detailing the spending in the following areas:

- supply chain spend
- socio-economic grant funding
- NDA grant funding
- Dounreay Communities Fund (DCF)
- Caithness and North Sutherland Fund (CNSF)
- social value commitments
- early careers and employment base

Benefits realisation

NRS Dounreay has developed a list of benefits associated with the decommissioning activity aligned to the NDA value framework. The benefits have been created through a series of engagements with internal and external stakeholders. The realisation of these benefits, including socio-economic benefits, will be measured and monitored on an ongoing basis.

Impact analysis

NRS Dounreay will prepare a detailed report quantifying what the impact of the activity and interventions described in this strategic plan have upon the wider community and economy in the north of Scotland. The impact analysis will be updated over the period of this strategic plan.



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