



NRS Dounreay socio-economic annual review

2024/25



NRS
Nuclear Restoration
Services



NRS

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Services



Introduction

NRS Dounreay is Scotland's largest decommissioning project and for more than 50 years was known as the centre of the UK's fast reactor research and development and is on the way to being recognised as a centre of excellence for nuclear decommissioning.



Dounreay believes that decommissioning activities should benefit local communities living in Caithness and north Sutherland and that we must provide a positive impact both during decommissioning and upon completion of our mission. Our socio economic undertakings flow from the Energy Act (2004), which provides us with a unique legal duty to have regard for the impact of our activities on communities living near our site, as well as the wider responsibilities all public bodies have under the Social Value Act (2012).

Dounreay is a large employer in the local area and contributes significantly to the salary base of Caithness and north Sutherland. Purchases of goods and services in pursuit of our mission also support a strong local, regional, and national, supply chain.

Through the recent formation of Nuclear Restoration Services, Dounreay works closely with other NRS sites to share knowledge and expertise on socio economic matters, managing Dounreay's socio economic budget for the benefit of the communities of Caithness and north Sutherland.

Dounreay continues to work in partnership with the Nuclear Decommissioning Authority to support socio economic activity in the area. The NDA complements the significant socio economic impact in Caithness and north Sutherland generated through Dounreay's decommissioning budget through the provision of additional grant funding support.

Dounreay has strong links into government, the supply chain, and local community groups and alongside the NDA works closely with other public and private sector organisations through the Focus North partnership. The partnership has a vision of a sustainable region, providing a healthy, economically stable environment for a growing population with a network of thriving communities reflecting the rich heritage and varied landscapes of the area.

At the end of 2024/2025 Dounreay published the *NRS Dounreay Socio Economic Impact Strategy 2025/26 to 2027/28*¹ which reinforces our commitment to monitoring, reporting and transparency, and the publication of this annual review.

¹NRS Dounreay Socio Economic Impact Strategy 2025/26 to 2027/28 - GOV.UK



Supply chain spend

Dounreay is committed to ensuring strong working relationships with the supply chain.

Dounreay had £213m of net-expenditure in 2024/25 of which £117.7m was through the supply chain. Dounreay is an anchor of the local economy and supports a wide range of companies, including local small and medium enterprises (SMEs). A core component of Dounreay socio economic impact is through the direct purchase of goods and services with over 54% of expenditure with companies owned or resourced within Caithness and north Sutherland. Excluding mandatory spend, approximately £1 in every £3 is spent with SMEs.

Work will be undertaken in 2025/2026 to quantify the economic benefit of supply chain spend to the area and wider UK.

Supply chain spend overview



These numbers represent different shares of spend and do not total.



Staffing

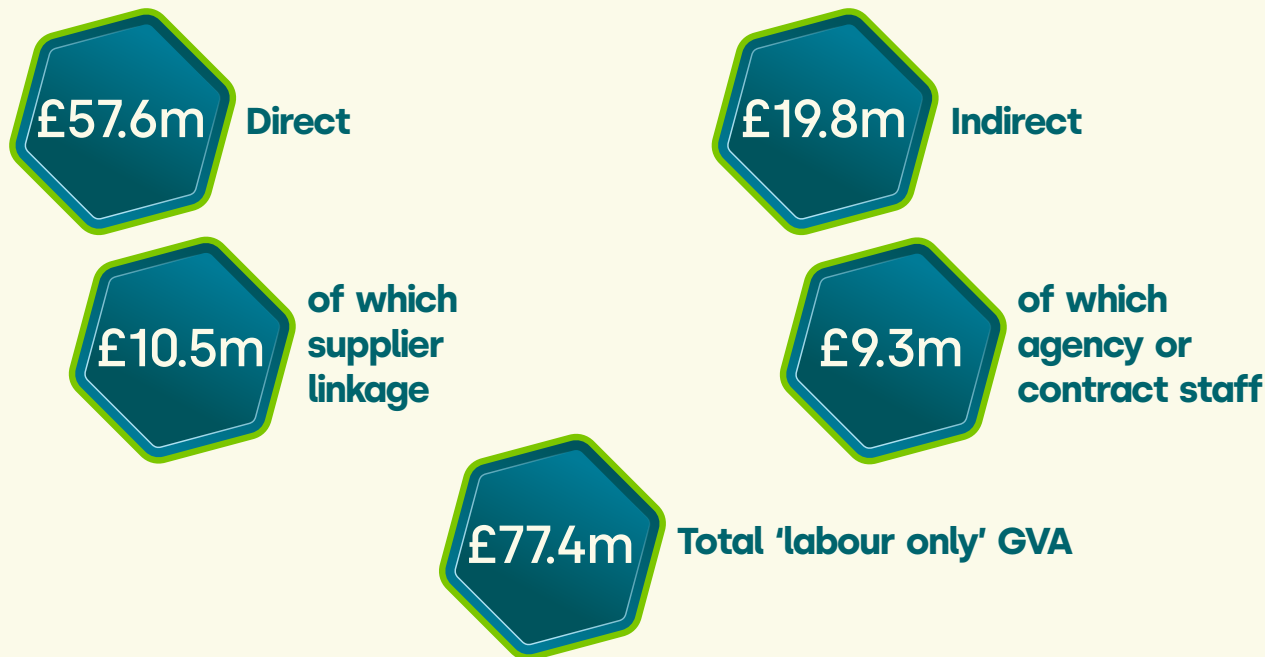
Employment at Dounreay is vital to Caithness and north Sutherland with a positive impact across Scotland and the rest of the UK. In 2024/2025 the total number of people employed by Dounreay was 1,367. Work to quantify the economic benefit of employment is underway and will be published later in 2025/26.

In 2022 when the most recent analysis was completed the site employed 1,283 employees, of which 1,232 (96%) lived locally to the site. In addition, there were around 700 supply chain workers at the site. Locally based employees

represent around 11% of all Caithness and Sutherland employment.

The most recent economic analysis highlights that Dounreay has a Gross Value Added (GVA) per employee of £55,900 per annum. This is almost double the Highland Council area. Dounreay salaries represent around 15% of the total payroll in Caithness and Sutherland. In total, economic data suggests Dounreay contributes a 'labour only' £77.4m GVA per annum to the local economy and £167.2m to the UK.

Labour only GVA impact on Dounreay activity





Early careers

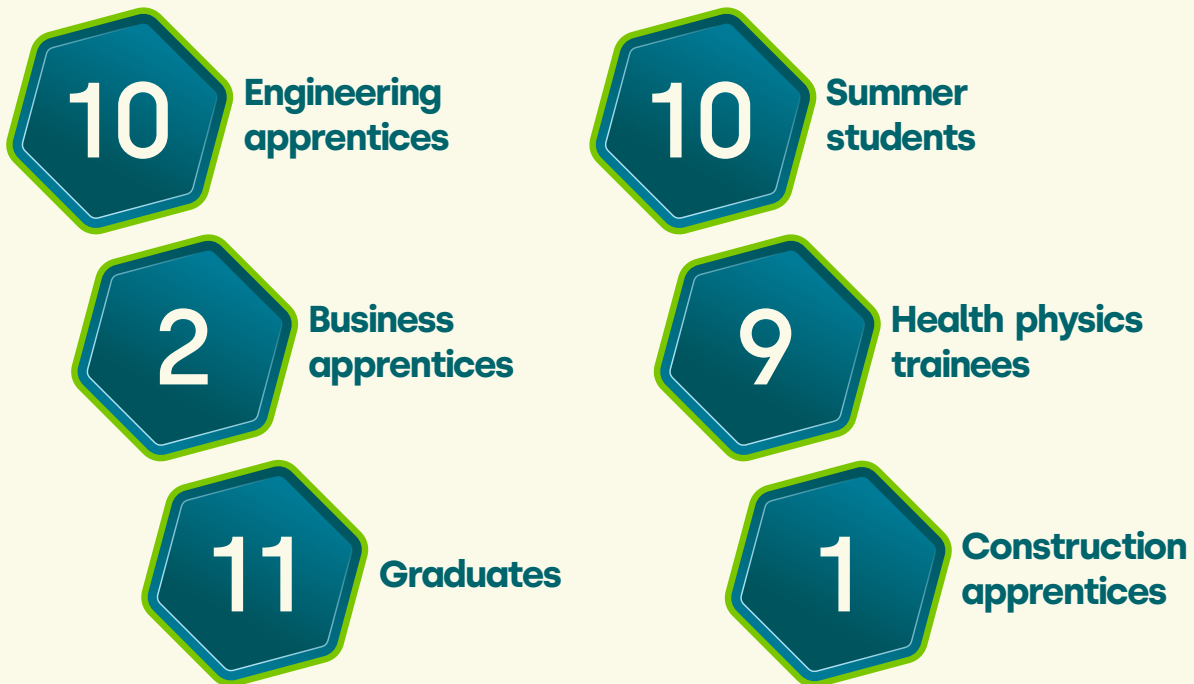
Dounreay has been recruiting engineering apprentices for over 60 years, and the 4-year engineering apprentice programme is approved by 2 of the largest professional engineering institutions in the UK; the Institution of Engineering and Technology and Institute of Mechanical Engineers.

Dounreay recognises the role modern apprenticeships have in developing existing staff and growing new talent. Dounreay offers an 18-month formal training programme for business and administration apprentices.

Graduate development is fundamental in successfully securing our business and technical leaders of the future. Our 2-year programme includes placements, off and on-the-job training, technical workshops, chartership support, as well as personal and leadership development.

Creating an environment where early careers can thrive has a positive impact in Caithness and north Sutherland where the population is both shrinking and ageing. Retention and attraction of early careers in the area through skilled, well paid jobs, helps to mitigate against demographic challenges faced by the area.

Recruitment in 2024/25



Demonstrating a commitment to the workforce of the future Dounreay has trained a total of 1,178 apprentices since 1955 and 118 graduates since 2015.



Socio-economic grant funding

Dounreay funds projects using 5 socio economic themes: sustainable incomes, resilient economies, thriving communities, protecting and improving our environment, and new social ideas.

In 2024/25 Dounreay committed £972,297 in socio economic grant funding, an increase of around 30% from 2023/24. The total, including

Dounreay-managed NDA funding, was £1,122,064. This total of Dounreay-funded and Dounreay-managed NDA funding, leveraged an additional £6.1m of private and public sector investment into Caithness and north Sutherland. Every £1 spent by Dounreay leveraged an additional £5.50 of community investment.

Focus North programme manager	£	45,626
Caithness Transport Forum	£	10,000
North Coast Visitor Attraction	£	48,000
Venture North	£	58,500
Transport for Tongue	£	10,000
HomeStart Caithness	£	16,000
Scottish Surfing Federation Championships	£	10,000
Wick PSO contract officer	£	30,000
Wick Development Trust - campsite redevelopment	£	125,000
John O'Groats mill redevelopment	£	50,000
Melness Crofters Estate - Cala Sona business plan	£	1,250
Melness Crofters Estate - Melness church purchase	£	480
Sidh Chailleann Art - Industrial Caithness	£	12,000
Ormlie Community Association operations	£	20,000
Dunbeath and District operations manager	£	24,938
Thurso Community Development Trust operations	£	16,667
Taste North Festival	£	10,000
UpNorth! project officer	£	18,177
Caithness Science Festival	£	8,000
Melness Crofters Estate Science Centre feasibility study	£	20,000
SCOPE @ Noss Primary equipment	£	9,000
Caithness Business Fund FutureSkills apprenticeship programme	£	80,000
Caithness Business Fund FutureSkills graduate programme	£	100,000
North Highland Initiative – community infrastructure support programme	£	100,000
North Highland Initiative – farm cluster and baselining pilot	£	72,186
Caithness Sports Council	£	10,000
Dounreay Communities Fund	£	35,000
STEM funding	£	20,973
Caithness Chamber of Commerce membership	£	10,500
Total Dounreay funding	£	972,297
Focus North support hub		
Recruit North Highland	£	58,000
Business development manager	£	21,767
Total	£	79,767
Additional NDA funding		
Caithness Business Fund apprenticeship programme	£	70,000
Total	£	70,000
Total Dounreay and Dounreay-managed NDA funding	£	1,122,064



FutureSkills programme

Following discussions with stakeholders and businesses, the Caithness Business Fund was identified by Focus North partners as a suitable vehicle to support apprenticeship growth in the north Highlands. Business surveys had shown an appetite to increase apprenticeship numbers in the area across several disciplines if there was a more incentivised scheme to cover higher training and salary costs in the early years of an apprenticeship when productivity and return on investment is much lower.

In response to this the NDA, NRS Dounreay and West of Orkney Wind Farm supported the FutureSkills apprenticeship grant scheme that was launched by the fund in February 2024 with £150k of

funding (the parties contributed £50k each).

Due to the successful uptake of the programme NRS Dounreay and the NDA committed further support in 2025 of £70,000 and £80,000 respectively for a total of £150,000. FutureSkills apprenticeship grants have been awarded over 3 years to companies involved in plumbing and heating, fabrication and welding, joinery, light vehicle maintenance and repair, and electrical.

NRS Dounreay also committed £100,000 towards a bespoke graduate scheme which enables businesses to take on a graduate for 2 years. The programme won the 2025 NDA Employee Awards Best Socio Economic Initiative Award.



NDA: Nucleus

In 2017 Nucleus, the Nuclear and Caithness Archives, opened in Wick to manage the UK nuclear industry's records. The archives deliver ongoing employment and spend in the area local to Dounreay.

Nucleus was sited in Caithness as part of an NDA socio economic remit to build the archives in a priority area, where nuclear decommissioning could have a significant impact on the local economy





Focus North

Focus North is an informal partnership established to deliver transformational initiatives in the north of mainland Scotland to generate economic growth and lead the net zero 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 of a sustainable region, providing a healthy, economically stable environment for a growing population with a network of thriving communities reflecting the rich heritage and varied landscapes of the area.

The partners are: North Highland Chamber of Commerce², Highlands and Islands Enterprise, the Highland Council, the Nuclear

FOCUS NORTH ↑

**DRIVING OPPORTUNITIES
THAT SHAPE OUR FUTURE**

Decommissioning Authority (NDA), NRS Dounreay, Skills Development Scotland, UHI North, West and Hebrides and the Scottish Government.

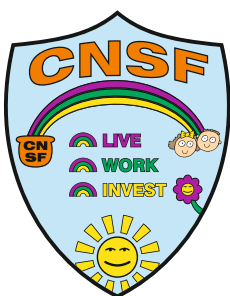
NDA and Dounreay support a range of development activity in the area with 2024/2025 support hub funding used to:

- employ a Focus North business development manager and
- employ a talent attraction specialist through Recruit North Highland

to help address wider area economic challenges.



² Formerly called Caithness Chamber of Commerce



CAITHNESS & NORTH SUTHERLAND FUND

Caithness and North Sutherland Fund

The Caithness and North Sutherland Fund was established by the Nuclear Decommissioning Authority and Dounreay to distribute funding to community organisations for projects that will increase the attractiveness of Caithness and north Sutherland as a place to live, work and invest with particular emphasis on achieving environmental, social, cultural and infrastructure improvements. The fund is governed by an independent board.

The funding package was agreed as part of the development of a disposal facility for low level waste arising from the decommissioning of Dounreay.

The NDA committed £4m to the fund – £1m at the start of construction in 2011 and £300,000 in 2014 and each year until 2023. The fund is still open to new applications.

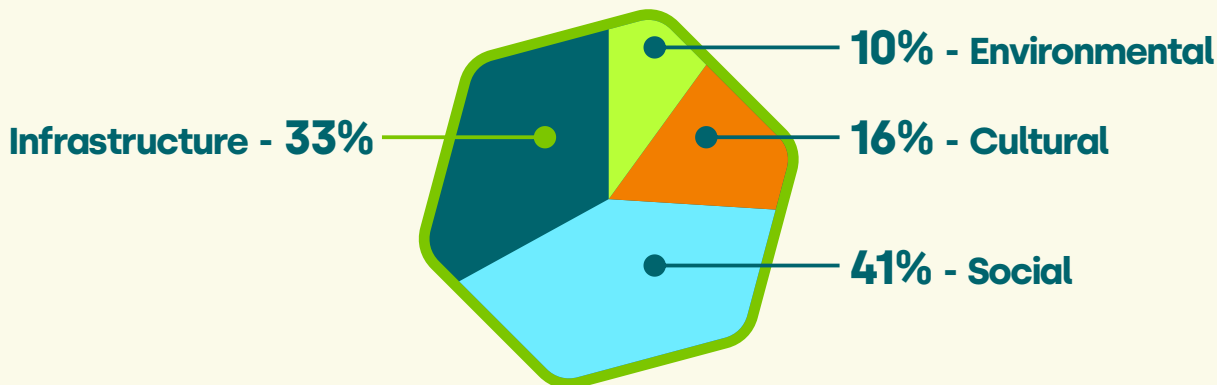


Total funding committed



Total project value

Split of projects



Dounreay Communities Fund

The Dounreay Communities Fund supports community organisations and local charities in Caithness and North Sutherland. The fund has individual awards capped at a value of £5,000, which increased to £7,500 in 2024 onwards. It is overseen by the Dounreay Stakeholder Group Socio Economic sub-group.



 <p>£31,345 Annual funding</p>	 <p>£37,462 Leveraged funding</p>	 <p>£68,807 Total project value</p>	 <p>19 Organisations supported</p>
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Dounreay Employees Charity Fund

The Dounreay Employees Charity Fund is a voluntary scheme with Dounreay employees donating a sum of money each month from their salaries to support local groups.



 <p>£2 per month donation from Dounreay employees</p>	 <p>£15,112 Total funding delivered</p>	 <p>21 Organisations supported</p>
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Summary

This summary provides details of Dounreay and NDA support.

Dounreay is a major local employer and buyer of goods and services and in 2024/2025:

- Dounreay had a total spend of £213m of which £117.7m was spent with the supply chain
- Dounreay had a total spend of £64m with Caithness or Caithness resourced companies
- Dounreay had a total spend of £32m with small and medium sized enterprises
- using 2022 figures, Dounreay had an estimated labour only GVA impact of £77.4m locally and £167.2m in the UK

The NDA invested into the social and economic wellbeing of the local area:

- a £50k contribution to the FutureSkills apprenticeship programme.
- an ongoing commitment of £4.4m to £4.9m into Nucleus in Wick supporting 55 jobs in Caithness
- a 3 year, £487k funding package for the Focus North support hub for economic development enabling activity

Dounreay supported Caithness and north Sutherland with socio economic grant funding:

- Dounreay spent £972k in socio economic grant funding across a range of local community skills, wellbeing, and infrastructure initiatives
- Dounreay managed an additional £150k of NDA funding for a total of £1.1m of support provided in the area
- total funding committed leveraged an additional £6.1m from other public and private sector partners

The NDA and NRS Dounreay are committed to supporting socio economic development in Caithness and north Sutherland and continue to work with multiple partners and stakeholders to explore opportunities to deliver greater social impact in the area.





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