

**Meeting of the 3rd Socio-economic sub-committee
held on Tuesday 2nd September 2008
at the Ennerdale Country House Hotel**

Attendees

| | | |
|-----------------|---|------------------------------------|
| Gary McKeating | - | West Lakes Renaissance |
| Phil Greatorex | - | Sellafield Ltd |
| Henry Wormstrup | - | WDTC |
| Joe Clark | - | Prospect |
| Dick Raaz | - | LLWR |
| Bob Churchill | - | NDA |
| Felicity Wilson | - | Sellafield Ltd |
| June Shield | - | Sellafield Ltd |
| Cheryl Ireland | - | Sellafield Ltd |
| Dick Wright | - | Gosforth Parish Council |
| Sue Hearn | - | West Cumbria Consulting Ltd |
| Michael Heaslip | - | West Cumbria Strategic Partnership |

Observers

| | | |
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| Steve McClure | - | Bardon Aggregates |
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Apologies

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| Elaine Woodburn | - | Chair Socio Economic Sub Committee |
| Peter Kane | - | GMB |
| Colin Sharpe | - | West Cumbria Business Cluster |
| Cath Giel | - | LLWR |

Agenda item 1:- introduction by Phil Greatorex, Standing in for the Chair, Socio-Economic sub-committee

Mr Greatorex started proceedings by welcoming members to the meeting, and asking for introductions around the table.

Agenda item 2:- Minutes from last meeting

The minutes of the previous meeting were ratified.

| Action reference | Action | Status |
|------------------|--|---|
| 01/02 | Secretariat to arrange extra meeting on feedback of major projects that are contained in Masterplan. | Chair to meet with Mr McKeating and Mr Greatorex to select the most relevant projects from the Masterplan to bring forward for discussion – Status Ongoing |
| 02/02 | Chair to formally ask NDA for timetable of events | Timetable available on website – Status Closed |

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| 03/02 | All members to read Hill Taylor Partnership survey and to get back if presentation is needed. | No feedback – Status Closed |
| 04/02 | Secretariat to ensure any handouts are sent out in advance of meeting | All documents made available to the Secretariat will be sent out prior to meeting – Status Closed |
| 05/02 | Henry Wormstrup asked for an update on the ERM study | See Agenda item 4. Status Ongoing. |

Agenda item 3:- Gary McKeating, Update on the Energy Coast Major Projects.

Mr McKeating explained that each of the projects within the Energy Coast has a Senior Responsible Owner (SRO) and that ideally each SRO should be at this meeting to answer any questions raised. As there are so many Major Projects within the Energy Coast, Gary had chosen a few to report on –

Project EC3 – New Acute Services Hospital (SRO yet to be determined) - Political commitment has been given by the Secretary of State for Health, Alan Johnson, for a new acute hospital in West Cumbria. A group led by the North Cumbria Acute Hospitals, NHS Trust is now set up to consult the community on the siting of the hospital.

- Q. When is the consultation going to take place?
- R. The consultation is imminent.
- Q. If there is such a sense of urgency, who is going to drive this if there is no SRO?
- R. Mr McKeating promised to report the comment back.

Mr Wormstrup commented that he understood that site selection will be announced by Christmas.

- Q. How much is the NDA putting into the new hospital?
- R. The NDA has not been approached specifically regarding the new hospital however they have had discussions regarding a Health Village.
- Q. We've seen figures regarding funding coming into Cumbria but which part of the funding was already committed, what will be new funding and what will be re-prioritised money?
- R. Cumbria Vision will establish a consolidated finance plan for it's Strategic Action Plan, including the Energy Coast Programme.

Project EC4 – Housing Market Renewal SRO: Bob Pointing, WLR - WLR Board has agreed allocation of the new £6m HMR programme. The long-term future of HMR programme is uncertain due to the evidence in an unfavourable report from the House of Commons Select Committee. Since then we have had the 'credit crunch' which has affected the housing market which has serious implications for future programmes and will lead to a reassessment of social housing.

Q. What are the areas of allocation (by district)?

Action: Mr McKeating to find out

Project EC5 - Brown Field Sites SRO: Bob Pointing, WLR - The consultants' brief has been agreed and a comprehensive survey will include all Brownfield sites in Furness and West Cumbria from the very large, eg Sellafield, Derwent Howe and Derwent Forest to the relatively small. The aim is to submit an early programme to the HCA in 2009 and to identify other sites which can be brought forward for early development within other programmes including housing and Industries for the Future (EC8).

Q. There will be two tenders potentially coming out, who will be tendering them?

Action: Mr McKeating to find out

Q. Is it a phased programme?

R. Existing brown field sites will take priority.

Comment – It is hoped that Bob Pointing will take note of the work done by the WCSSG on site end states.

Q. What is the scope of the project, as the description is causing confusion?

R. It is more around the delivery, identifying what has already been done.

Q. Is there a document with more detail ie. an action plan

R. This sub committee was asked to choose the projects they were particularly interested in, so that a request for the relevant SROs could be made for them to attend; and therefore provide more detail.

EC8 - Industries for the Future – SRO: Rosie Mathisen, WLR – West Cumbria Consultancy has been commissioned by WLR through this project to examine alternative methods of zero carbon energy generation and methods of reducing energy consumption, carbon emissions from the West Cumbrian economy and identify environmental technologies and activities which offer the potential for further business and economic development.

This project includes work in the areas of hydrogen, carbon capture and storage, offshore wind, tidal and waste. Westcroft Consulting is working with Cumbria Vision to develop the Energy and Environmental Strategy Action Plan and proposals for the Cumbria Renewables Panel.

Comment – What's missing is coal methane.

Comment – With regards to the Cumbria Vision action plan, WCBC has not been consulted

Action: Mr McKeating to report this back

EC9 - Building the Case for Nuclear New Build at Sellafield – SRO: Rosie Mathisen, WLR - Following the government's decision to give the green light to the private sector to invest in new nuclear power stations, the West Cumbria Leaders' Group gave formal endorsement to put forward a case for Sellafield being in the first wave at their meeting on 27 June. This was further emphasised at the Leaders' meeting on 18 July.

NDA cannot be active or take a lead in new build given its vires. However, where the local community has shown an interest in new nuclear build to support the economy then the NDA has a remit to support that community. NDA is in discussion with the government regarding this. For similar reasons, Sellafield SLC cannot lead on new build but are supportive through their socio-economic remit and want to provide direct help.

Q. On the action plan, AMEC were used, does this create a problem because AMEC are part of the new PBO?

R. This is becoming a common problem when large organisations get involved. They will have a plan on what they want to do with regards to new build on the sites. Whereas the NDA are handcuffed, the corporations are not. This issue will be an early roll out as to where new build will be.

Comment – At the National Stakeholder Group meeting, Adrian Simper said that New build was not part of the NDA’s portfolio. Unions have lobbied ministers direct, but the current model is flawed.

Comment – There needs to be a joined-up plan to market the Sellafield site.

Comment – In terms of New Build, if there is land owned by the NDA, they are obliged to release that land to anyone who wants to proceed with new build.

Action: Chair to meet with Mr McKeating and Mr Greatorex to select the most relevant projects from the Master plan to bring forward for discussion.

Agenda item 4:- Update on socio economic plans

Bob Churchill, NDA

Mr Churchill reported on some of the applications that had gone before the NDA’s Socio Economic Panel since the last sub committee meeting. He also covered the publication of the NDA’s Socio Economic Policy and the preparation of the “bespoke” plans for each of the four priority areas.

The NDA’s Socio Economic panel consists of individuals across the NDA from various backgrounds and they meet every six weeks to review applications. They can approve up to £100k. Amounts over £100k and up to £500k go to the NDA’s Socio Economic Sub Committee. Amounts over £500k go before BERR.

Q. Mr Wormstrup asked for details of the NDA’s Socio Economic meetings and also for a list of the primary activities that NDA has supported.

R. Details of the NDA’s Socio Economic meetings are on the NDA’s website

Action: Mr Churchill to provide a listing of the primary activities that NDA has supported.

Q. What is the status of the suggestion raised at the NSG on having a demonstration magnox site for decommissioning?

Action: Mr Churchill to check on this.

Q. – There is a concern that applications are being submitted but are being deferred pending development of strategies. Can we have a list of successful applications?

Action: Mr Churchill to supply list

Q. Within your Socio Economic plan, how much match funding do you achieve?

R. 7:1 across the UK

Q. Are you speaking with all the funding parties who can match fund?

R. No, that's why we're working on the "bespoke" plans for the four priority areas. We're in the process of capturing information, to get a more holistic picture.

Comment: It's a travesty that Socio Economics and the Supply Chain are the two smallest parts of the NDA.

Q. Will the Copeland Community Fund have its own priorities for economic spend?

R. It will follow the NDA's policy.

Q. It's acceptable to give money to charities, but what about loans to companies?

R. With regards to start-up loans, there are no occasions where the loans have not been repaid. We do not make any donations to businesses.

The Copeland Community Fund Agreement should be approved by BERR by the 19th September. The fund will be administered by CCC, CBC, NDA and other nominations yet to be identified.

Plans for the formal launch of the NDA Skills and Strategy are underway and this is seen as another element of what NDA can contribute.

Q. Mr Wormstrup asked for a commitment that the ERM study be updated.

R. Mr Greateorex responded that as the Life Time Plan will be revisited by the new PBO, and now might not be the right time to update the study.

Mr Clark commented that he felt that we're being misled by stating that we need to wait for the arrival of the new PBO, as funding will still come from the NDA; it is up to the new PBO to manage it. The people of west Cumbria want to know what is happening.

Mr Churchill responded that one of the first activities that the new PBO will carry out is to revisit the Life Cycle Base Line.

Mr Greateorex said that there was agreement for the need to take this assessment forward, but the issue was the timing.

Mr McKeating remarked that the only people, who would benefit, if a new survey was done now, would be the consultants.

Action: Secretariat to bring issue back to the agenda for the next meeting.

Dick Raaz, LLWR

Mr Raaz presented an update on the LLWR Socio Economic plans. He expressed how LLWR wanted to achieve a strategy that would integrate their efforts with those of the NDA, Sellafield and other nuclear industries in the community. The LLWR want to be “part of the solution” in West Cumbria and they look forward to the launch of a community infrastructure development strategy, which will help determine an appropriate mix and priority among the competing needs.

Although LLWR is a smaller company, it is an important player, as it is backed by large and experienced parent companies, who bring great experience to community involvement.

PBOs will rely on the Social Investment Strategy, so it is important that it is developed and rolled out. In order to obtain community benefit, it is important to achieve leverage and Washington Group has a lot of experience at achieving huge leverage. It's very important that LLWR synchronise with the new PBO at Sellafield; and it's very important that this sub committee meet with the new PBO as soon as possible.

Steve McClure of Bardon Aggregates wanted to place on the record his thanks to Mr Raaz for his support in saving 150 jobs at Eskett Quarry.

Comment: the current SLC is driving away and strangling the supply chain with their procurement strategy. It is vitally important that local companies aren't disadvantaged by their locality. The supply chain needs to be supported and engaged.

Response: The NDA clearly has a charter to communicate with communities which host their facilities. The benefits to the community are so positive, but if you don't have the community behind you, you will fail.

Comment: one of the PBO members is purchasing its equipment outside the local area.

Response: That's because labour costs here are so robust.

By bundling contracts, we've gone from 3000 suppliers to 250 suppliers, and now there is Shared Services, who will bundle again.

Action: It was re-iterated that the Chair along with Mr Greatorex & Mr McKeating would look at priority projects to be discussed.

The PBOs are so closely linked, they will work together and there is huge potential at the moment.

Q: The PBOs are not putting money into Socio Economics, it is money given to the PBOs by the NDA. Why doesn't the NDA just manage the Socio Economic money?

R. Once we get the NDA's regional strategy, this will give clarity.

Mr Raaz closed by saying that he looked forward to working with the committee and gave his assurance of commitment to making West Cumbria a better place to live.

Phil Greateorex, Sellafield Ltd

Mr Greateorex had prepared a report but as it had been circulated prior to the meeting and due to time constraints within this meeting, it was decided to move on to the next agenda item.

Mr Greateorex commented that Sellafield Ltd is currently in transition and the new PBO would soon be attending this very meeting. He wanted to make people aware that Sellafield Ltd is working very hard identifying opportunities for the new PBO. A conference is being held at Rheged in October which will look at Sellafield's role in Britain's Energy Coast and during which outline proposals to develop a waste park at Sellafield will be unveiled.

Agenda item 5:- West Cumbria Social Infrastructure Strategy, Mike Heaslip

Mr Heaslip gave a presentation on "Communities that Work – A Social Investment strategy"

Sustainable communities are conceived as being made up of 8 transformational strategies which all need to be addressed and need to go through Regional Spatial strategy. Although this strategy has political buy-in, it does not have any legal standing.

Q. To what extent will the strategy identify a delivery structure?

R. There are elements in place, but they need to be knitted together. This will not be a way of telling the NDA etc how to spend their money, but a strategic framework being worked up and may be outlined at the Social Investment Conference in November.

Agenda item 6:- AOB

There was no other business.

Agenda item 7:- date of next meeting – (Wednesday 3rd December 08)