



NDA Social Impact and Communities Strategy

Refresh Launch - Nuleaf

27 March 2023

Agenda

1. Introduction to NDA Socio-Economics
2. Economic Impact Study Findings
3. Strategy Refresh

Meet the team...

The NDA Socio-Economic Team is:

Jamie Reed
Karen Hallsworth
Andy Harper
Jez Gilmour

Collectively we co-ordinate the socio economic work of the NDA Group and deliver the NDA socio-economic programme.



NDA Estate

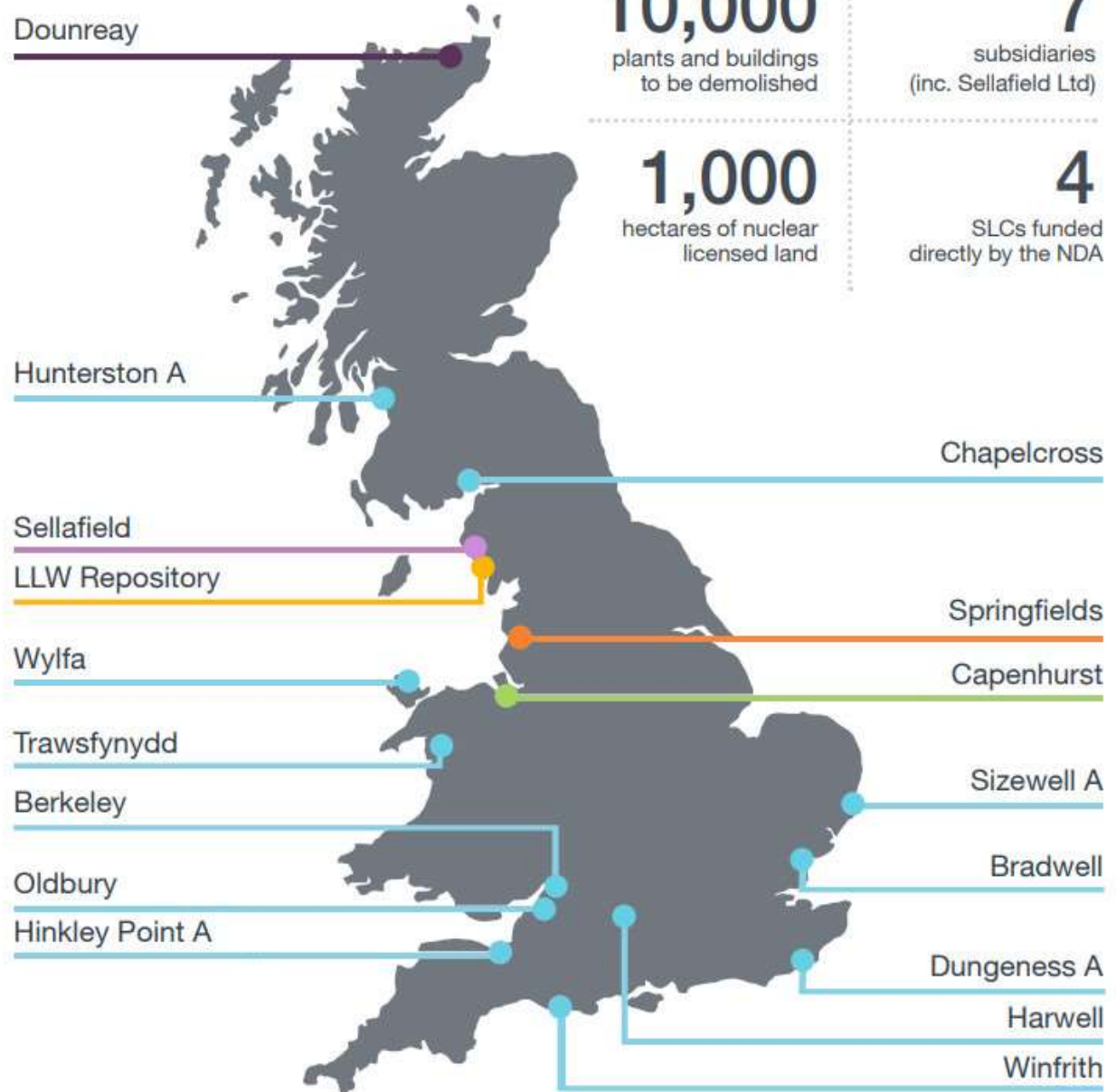
Our socio-economic programme and social value approach can best be understood through the prism of:

- Purpose
- People
- Places
- Projects

Site Licence Companies

- Sellafield Ltd
- Magnox Ltd
- Dounreay Site Restoration Ltd
- LLW Repository Ltd
- Springfields Fuels Ltd
- Capenhurst Nuclear Services

Dounreay



16,000
employees across
the estate

17
sites dating from
post-war decades

10,000
plants and buildings
to be demolished

7
subsidiaries
(inc. Sellafield Ltd)

1,000
hectares of nuclear
licensed land

4
SLCs funded
directly by the NDA

Sustainability, Social Value and Socio-Economics: How does it all fit together?

Sustainability

Our approach towards sustainability incorporates everything we do as an organisation; from our carbon footprint to our employment practices. This is an emerging field across the private and public sector and so remains iterative.

Social Value

The Public Services (Social Value) Act, 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Government departments operate within the scope of the Act. The Social Value Beacon Project relates to the NDA's approach to social value with regard to employment and procurement practices.

Socio-Economics

Our approach towards socio-economics is based upon statutory obligations referenced in the 2004 Energy Act. Working through and with our site license companies, we co-create effective economic interventions in the communities closest to our sites using independently produced economic assessments. We aim to **enable** permanent, positive, and significant social and economic change.

A clear legislative basis

The Energy Act (2004) gave the NDA a socio-economic role, recognising the importance of delivering the decommissioning programme in a socially responsible way.

The importance of this work is highlighted in Government policy, legislation and priorities

- Social Value Act: 2012
- Policy Procurement Note 06/20
- Levelling Up White Paper
- NDA Socio-Economic Policy delivery and NDA Sustainability Strategy

People and Places: the context for our work

Most nuclear communities share particular characteristics. NDA sites are in rural, coastal and sometimes 'remote' locations

Our approach to socio-economics considers:

- The negative impact of decommissioning: how can we mitigate against these?
- Degree of dependency and what new opportunities can we help to create as decommissioning proceeds?

A post-Covid response is required against increasing resource pressures, nationally, regionally, locally.

NDA Group Socio-Economic Investments

The NDA's "business as usual" activities have considerable positive socio-economic impact, but we would like to improve further:

Well established grant programme (~£15m per year nationally)

- Targeted at supporting local economic, environmental and social regeneration
- Supports diversification of local economy (e.g. green energy, tourism, manufacturing)
- Aligned with HMG Priorities e.g. levelling up agenda, 'net zero' etc
- UN Sustainable Development Goals

Social value and wider considerations in business decisions

- Procurement
- Employment
- Reuse of land and other assets
- Skills links to wider nuclear agenda
- R&D&I – applied research with export potential
- Alignment to Sustainability Agenda

Economic Impacts

Updated Economic Impact Studies were published in September 2022

- The economic contribution of the NDA to the West Cumbria economy, April 2022 (Arup and Oxford Economics)
- Economic Impact Assessment of Magnox sites, May 2022 (Economic Insights)
- Dounreay Socio-Economic Report, September 2022 (Mace)

Published on [gov.uk](https://www.gov.uk)

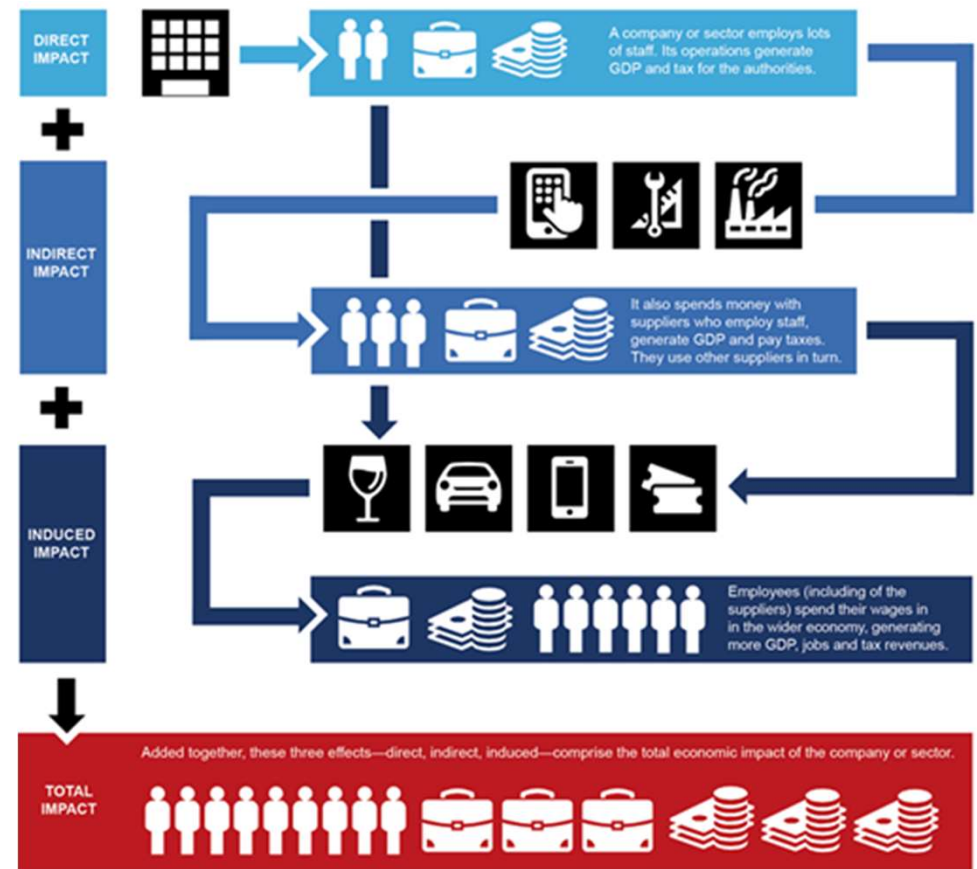
Economic Impact Modelling

Economic impact modelling is a standard tool used to quantify the economic contribution of an investment or series of investments in a local economy.

Direct – NDA sites directly made a substantial contribution to economic activity.

Indirect – Procurement spending stimulated further economic activity along the supply chain.

Induced – The wages paid to workers stimulated further household consumption



The economic contribution of the NDA to the West Cumbria economy – Ove Arup / Oxford Economics (2022)

Sellafield and LLWR make a substantial contribution to the West Cumbria economy.



£1.36 billion of domestic purchases

£654 million spent with firms operating in West Cumbria



£2.52 billion GVA contribution to GDP

£1.30 billion in West Cumbria, 40% of local GVA



40,360 jobs across the UK workforce

21,650 jobs across West Cumbria, 28% of local jobs



£1.39 billion in wages

A highly-productive and well-remunerated workforce



£603 million in tax revenues

£277 million from direct activity in the North West

Magnox Economic Impact Assessment – Economic Insight (2022)

The 12 Magnox sites currently make quantifiable, but varying, contributions to their local economies.



£179 million spent on UK suppliers
£4.2 million spent in Local Authority Areas and those adjacent



£393 million GVA contribution to GDP
£176 million in Magnox site Local Authority Areas and those adjacent



7,277 jobs across the UK workforce
3,020 jobs in Magnox site Local Authority Areas and those adjacent



£33.5 million in employment tax revenues
£3.9 million local council tax revenues and business rates

Dounreay Socio-Economic Report – Mace (2022)

Given Dounreay still provides nearly 11% of local jobs (1,579 of 14,605), it remains a vitally important part of the local economy and more so than many sectors.



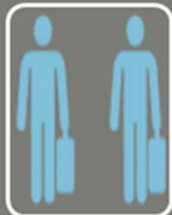
£89.5 million spent on UK suppliers

£17.9m on suppliers in Caithness & North Sutherland



**£258.9 million GVA contribution to
GDP**

£97.3m GVA contribution in Caithness & North Sutherland



2,842 jobs across the UK workforce

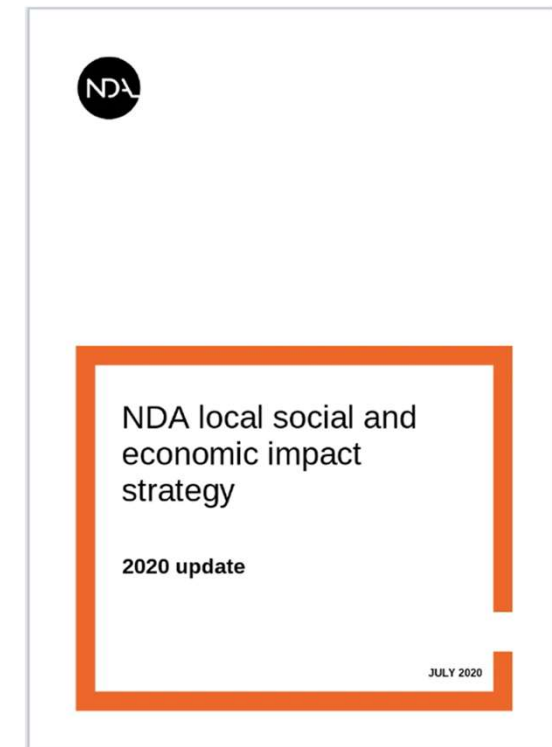
1,579 FTE jobs in Caithness & North Sutherland

NDA Local Social and Economic Impact Strategy (July 2020)

The NDA has a legal duty set out in the Energy Act (2004) to have regard for the impact of its activities on communities living near its sites, as well as the wider responsibilities all public bodies have under the Public Services (Social Value) Act (2012). These responsibilities underpin our approach towards our socio-economic work.

The NDA Local Social and Economic Impact Strategy was published in July 2020 and set out our strategy and priorities for our Socio-Economic activities.

The strategy commits NDA to working closely with the UK, Scottish and Welsh Governments, local authorities, local partners, including LEPs and other agencies in the delivery of this strategy and future updates to it.



Strategy Refresh 2023/24

- We now wish to refresh and strengthen the strategy with input from local stakeholders.
- In order to do this we will to seek the views of stakeholders on the social and economic priorities in the communities near to NDA sites.
- Input will help shape our approach to funding criteria, decision making and governance including our approach to social impact across the NDA Group
- Engagement in person, via MS Teams and in writing welcome.
- Subject to public consultation
- To be published early 2024

Programme

Nuleaf launch and letters circulated to stakeholders	Wc 27/03/23
In person/online consultation with local stakeholders (12 weeks)	17/04/23 – 09/07/23
Draft strategy ready for internal consultation	30/07/23
Internal consultation (3 weeks)	28/08/23 to 17/09/23
Internal approvals (4 weeks)	18/09/23 to 15/10/23
Final drafts ready for public consultation	12/11/23
Public consultation (6 weeks) inc presentations	13/11/23 to 22/12/23
Final Drafting and consultation responses	01/01/24 to 31/03/24
Publication	31/03/24