



Chapelcross Site Stakeholder Group

Minutes of the Meeting held on Friday 14th December 2012 at Council Chambers, Annan Town Hall, High Street, Annan

Present:

Cllr Ronnie Ogilvie (representing Annandale South) (Chairman)
Cllr Craig Peacock (representing Annandale East and Eskdale) (Vice Chairman)
Jill Callander (SSG Secretary)
John Grierson (Chapelcross Site Director)
Richard Murray (Chapelcross Plant Manager)
Kelly Anderson (NDA)
Hugh Fearn (SEPA)
David Stone (SEPA)
Ewan Young (Scottish Government)
Chris Kemp (Office for Nuclear Regulation, ONR)
Cllr Archie Dryburgh (representing Annandale East and Eskdale)
Cllr Sean Marshall (representing Annandale South)
Cllr Richard Brodie (representing Annandale South)
Willie McNairn (2km Resident Representative)
Jim Nesbitt (Representative of Federation of Community Councils)
Harry Brown (2km Resident Representative)
Chris Brown (D&G Council, Economic Development, Business & Enterprise Manager)
Don Taylor (D&G Council, BCX Gretna, Lockerbie and Annan Project Officer)
Bev Bamford (D&G Council, BCX Business Advisor)
Lindsey Mason (D&G Council, BCX Young Entrepreneur Coordinator)
Ashley Wylie (D&G Council, BCX Project Administrator)

Apologies:

Martin Brown (Representative of Federation of Community Councils)
Carol-Ann Campbell (Dumfries and Galloway Police)
Iain Campbell (Dumfries and Galloway Community Fire and Rescue)
Inspector Jim Ferguson (Civil Nuclear Constabulary, CNC)
David Gurney (Civil Protection and Emergency Planning)
Frank McGowan (Chapelcross Union Convenor)
Cllr Ian Carruthers (representing Annandale South)
Cllr Karen Carruthers (representing Annandale East and Eskdale)
Cllr Peter Diggle (representing Annandale North)
Cllr Denis Male (representing Annandale East and Eskdale)
Cllr Graham Tait (representing Annandale North)
Cllr Stephen Thompson (representing Annandale North)

In Attendance:

Sheila Adams (Minutes)

1. Chairman's Opening Remarks

The Chairman welcomed everyone to the meeting and introduced Dr David Stone from SEPA who will replace Mr Hugh Fearn on his retirement. Mr Ogilvie also welcomed Mr Richard Murray, Chapelcross Plant Manager, and the 'Beyond Chapelcross' Team.

The Chairman noted that a good number of members had attended the Site Induction visit and those who attended had thoroughly enjoyed the day.

2. Announcements and Apologies *(including Declarations of Interest)*

The Secretary gave the Apologies as listed above.

The Secretary informed members that issues had been raised with the NDA with regard to the process and election of the Chairman at the last meeting. The concerns are being dealt with by the NDA's Legal Department and are currently the subject of a process of review and investigation. To allow the NDA's process to run its course, it was not appropriate for it to be discussed at the meeting and the outcome will be reported in due course.

The Secretary advised that all members of Chapelcross Site Stakeholders Group should declare an interest if they have an association with Chapelcross, Magnox or the NDA. Councillors Marshall and Dryburgh confirmed that they are employed by Magnox and were attending the meeting as Councillors.

3. Minutes of Previous Meeting and Matters Arising

The Minutes of the meeting of Friday 7th September 2012 were approved as a true record and proposed as such by Cllr Dryburgh and seconded by Willie McNairn.

All Actions in the Minutes had been completed. The Induction for new Members had been undertaken on 5th December 2012. The Secretary had fed back comments from the September meeting to the ONR. Mr Marshall had provided members with information on the socio-economic process.

4. Chapelcross Site Director's Report *(including update on Magnox Socio-Economic Scheme)*
Mr John Grierson presented his report using presentation slides (see attached).

In summary: Mr Grierson was pleased that the two amber indicators during 2011/12 were now all green. There had been two accidents on site recently, one being a fall on black ice and the other where an employee had twisted his ankle. Mr Grierson reported that there had been an event at the site relating to groundwater where water destined for the ponds detention tanks had gone into the surface water drains. This has been reported to and was being investigated by SEPA. The Environmental Management Plan will be distributed in the New Year. NDA funding has been secured to sustain the next year of the Plan.

In respect of the Magnox/RSRL Competition, 5 entities have passed the pre-qualification stage. They will visit sites and engage with stakeholders. The workforce at Chapelcross is generally stable with minor fluctuations.

Between September-December 2013, the structure of the workforce will change from 430 magnox employees to 298.5 fixed term employees. Aspirational interviews were undertaken with all employees, followed by Lead Team best fit and an Independent Review by senior management and Unions. Mr Grierson did not take part in this as he is now involved with the Appeals process. On 3rd December 2012 all staff received letters and these are being followed up with interviews. It was decided that this was a fairer approach than advising staff of their future in a meeting, in order to give them time to digest and consider the contents of the letter, before their interview. As reported in the press, 84% of employees achieved their first aspiration, which is a high percentage in the programme. 4% did not receive one of their aspirations and 60 people are considering voluntary severance. There are trained Transition Case Managers to assist people without posts. There are job opportunities at Calder Hall and through the Beyond Chapelcross project as well as other Companies in the area. Karen Dickens, NDA Corporate Social Responsibility Manager has commented positively on the impact which the Beyond Chapelcross Project has had on the Transition process at Chapelcross.

Under the Interim Care and Maintenance Programme, in respect of defueling, Reactor 4 and Reactor 3 are completely defueled. Reactor 2 is at 61% and Reactor 1 at 99.9%, which is currently ahead of schedule. The key objective is to get through the process safely.

Phase 2 of the Asbestos Removal has now started, with smaller areas of the plant now being done. Deplanting activity will now take place in the Ponds. The Installation of the Electrical Overlay System is complete with modern equipment.

Phase 1 of the Land and Groundwater Management associated with chemical solvent is also complete with 29 boreholes installed. The next phase in February / March / April will involve negotiating for adjacent land.

The visit by the World Association of Nuclear Operators (WANO) to assess standards at Chapelcross was very interesting and provided very helpful advice on land quality management.

With regard to the Socio-Economic Scheme, £35,457 has been awarded to date, which is on a par with last year's expenditure. Feedback is given by the Team to applicants who are not successful to allow them to reapply or seek funding elsewhere. Sean Marshall represents the Magnox Scottish Sites, Chapelcross and Hunterston on the Magnox Central Socio Economic Panel.

In terms of Stakeholder activity, there are still lots of support given to the local community and photographs were shown of some of the projects supported. On a lighter note, photos of the Stakeholder members who attended the site induction visit were shown and some of the Chapelcross Team who supported 'Movember', raising £1600 for the local Marie Curie charity.

Mr Grierson concluded his presentation by wishing everyone a Merry Christmas and Happy New Year and looked forward to seeing everyone in 2013.

Questions and Observations

Cllr Dryburgh noted that there is no historical fuel in the Ponds, only small fuel fragments. Chapelcross still has active fuel routes and Hunterston can assist with this.

Cllr Dryburgh asked about the WANO visit and asked if the different legislation in the different countries had been taken into consideration. Mr Grierson reminded Members that the purpose of the visit was to share good international practice and share advice and experiences.

Cllr Peacock commented on ice being a bigger risk to the site than defuelling. Mr Grierson replied and explained that as the site is so large it is simply not possible to grit the entire site. Employees are aware of the conditions and potential risks but the employee who slipped on black ice was indeed an unfortunate accident.

Cllr Peacock asked about the process for land or water solvent contamination. Mr Grierson advised that it is in the Company's interests to remediate the land. Boreholes are already in place and new and deeper holes have been added to enable samples to be taken at different depth levels. Gas injection tests can also be done and there are various remediation techniques which are common to industrial sites and not unique to nuclear sites.

5. NDA Reports

Kelly Anderson highlighted some of the main points of interest in the Monthly Updates for October, November and December 2012, which were circulated with the Agenda and meeting papers prior to the meeting.

Ms Anderson confirmed that five bidders have been successful at the Pre-Qualification Questionnaires stage. The bidders now have to visit 12 sites and they are looking at how best

to do this. The National Stakeholder Event was very successful with interesting discussions and good input on the next spending review. Five or six sets of comments have been received on the Credible Options Study for ILW Storage and response letters are being written. A Preferred Options paper is being prepared for the end of March but this does not affect Chapelcross.

Questions and Observations

Cllr Marshall noted that there were currently 5 bidders but some may join together and asked when the bidders would be announced.

Mr Young advised that any Companies merging together would have to advise the Stock Exchange before issuing a Press Release and neither the NDA nor the Scottish Government knew when the announcement would be made.

6. Other reports from SSG Bodies - ONR, SEPA, CNC, Scottish Government, Scottish Enterprise, Emergency Planning, etc.

ONR

Chris Kemp apologised for his absence at the September meeting and went through the quarterly report for July, August and September 2012.

Mr Kemp referred to the question from Cllr Brodie at the last meeting regarding the word 'adequate' in reports and explained that this may not be as encouraging as people would want to see but it is a standard format of reporting which is used centrally. This expresses the legal duty imposed on a licensee and 'adequate' means they have met their legal requirement and the licensee is complying with the law. Cllr Brodie confirmed that he is happy with the word 'adequate' but felt that the words 'in general' suggested that some of the arrangements were 'not adequate' and asked what these were. Mr Kemp explained that 'adequate in general' means that the ONR has the powers to take any unsatisfactory elements further, for example by issuing Prohibition Notices, Improvement Notices or referring to the Procurator Fiscal. Mr Kemp advised that there is no way of generally reporting everything in a digestible form for the public. Where there may be some improvements required the report will say that arrangements are 'adequate' 'in general' but improvements can be made. The ONR continues to think about what is published and each time a Licence Instrument is issued a report is written to justify it. Cllr Brodie asked if a summary of what has been inspected could be produced and Mr Kemp replied that this would only be possible if the ONR agreed that background justification reports can be openly published.

Cllr Marshall asked if the words 'adequate' and 'not adequate' was the only acceptable terminology or if there were other options for wording of reports. Mr Kemp advised that he reports his findings to the site immediately after inspection and the purpose of the report is to report on what has been done, not what is thought. Mr Kemp informed members that he is unable to provide more detailed reports for meetings but is happy to expand on these at meetings. He considered that the key to more information is the publication of reports, as mentioned above, but these would be general and not specific to Chapelcross.

With regard to the Site's agreed structure for beyond defueling, Cllr Dryburgh asked if the ONR has the power to instruct the Site Manager to reassess the structure. Mr Kemp responded that licence conditions deal with operational changes and that any changes of high significance require permission. The ONR does have the power to ensure that the organisation can deliver safely.

SEPA

Mr Fearn apologised for not producing a report due to holidays but advised that the next report would cover a six month period.

Mr Fearn advised that the findings of gaseous sampling arrangements carried out on site showed that equipment is in line with Company standards and SEPA's authorisation. There is a new Compliance Assessment Scheme where findings are input which then grades

performance on site. A summary of inspections across the industry will be published at the end of each year. In respect of gaseous sampling, if a site is found to be compliant, it will be graded 'excellent'.

Mr Fearn confirmed that the new Multi Media Authorisation (MMA), which is taking some time, has now been approved by the ONR but a response is still awaited from the Food Standards Agency. There have been changes to the disposal of low level waste. More facilities are being operated for the treatment of waste and waste can now be disposed to any authorised site, not just those specifically named.

Mr Fearn confirmed that he is retiring from his post and introduced his successor, Mr David Stone.

Questions and Observations

Cllr Marshall asked for clarification on low level waste and what the new facilities can hold. Mr Fearn confirmed that low level waste includes very low level waste and the facilities are all different for the types of waste they hold.

Cllr Peacock asked if the Compliance Assessment Scheme was generalised or site specific. Mr Fearn advised that it is a common assessment scheme, which will have a section for each Company's requirements of their licences. The public cannot access SEPA's Compliance Assessment Scheme but a summary report will be published at the end of a year with each site graded.

Cllr Brodie asked if SEPA was concerned about changes to the pipeline and the water being discharged. Mr Fearn replied that effluent is being held in the pipeline and it is not a concern and is in line with requirements.

The Chairman wished Mr Fearn all the best for his retirement and the future.

Scottish Government

Mr Ewan Young thanked those who attended the Scottish Sites Meeting in October.

Mr Young referred to the National Planning Framework Event which was held in Dumfries at the end of November. Information on this and the Better Environmental Regulation Programme is detailed in the report below and can be found on the Scottish Government website, with a report published by Scotland's Chief Statistician.

Questions and Observations

Cllr Marshall asked that links to the Scottish Government website be included in the Minutes (see below).

Councillors Ogilvie and Peacock were concerned that they found out about the Planning Roadshows through their Community Councils and not as Dumfries and Galloway Council Members. Mr Young apologised if this was an oversight on the part of the Scottish Government Planning Department but understood that a standard consultation process had been followed.

“SCOTTISH GOVERNMENT POLICY UPDATES

Scottish Higher Activity Waste Implementation Strategy

Scotland's Higher Activity Waste Policy was published in 2011. The Policy is for the long-term management of higher activity waste (HAW) in near surface facilities. The Policy requires the Scottish Government to produce a Strategy to inform the approach taken to implement the Policy. The project to develop this Strategy was initiated last year.

With the various staff changes in the Scottish Government (SG) Radioactive Waste Team, it was decided earlier this year to pull back and take stock of the Project and undertake a review of the governance arrangements for the Project.

It was recognised that we have a responsibility to consider the views of the wider community when developing the Strategy. With that in mind, the Chairs of each of the SSGs were invited to participate as active observers on the Project Board. The first meeting of the reconvened Project Board was held on 24 August 2012.

At the meeting the Project Board agreed areas that should be considered in a Strategy. The Scottish Government will now develop and define the proposed scope of the Strategy with the aim of presenting a plan for taking forward the development of the Strategy at the next Project Board meeting. The next meeting is expected to take place in January 2013.

National Planning Framework (NPF3)

Scottish Government Planning and Architecture Division recently commenced work on the preparation of Scotland's third National Planning Framework (NPF3). This will replace NPF2, which was adopted in June 2009. The NPF brings together Scottish Government plans and policies to provide a spatial plan for the long term development of Scotland. It can also designate large infrastructure and development projects as National developments, where they help to deliver the spatial strategy and are nationally significant. The Main Issues Report for NPF3 will be published in March 2013.

<http://www.scotland.gov.uk/Topics/Built-Environment/planning/National-Planning-Policy/npf/NPF3>

Better Regulation Bill Consultation

This consultation sets out proposals for potential elements of the proposed Better Regulation Bill. The Bill aims to improve further the way regulations are applied in practice across Scotland, by better defining national expectations and standards and the context for local variations. The consultation sets out proposals for the potential elements of the Better Regulation Bill.

The consultation seeks views and evidence on a number of issues, including; defining and implementing national standards and systems; duty to promote economic and business growth in regulatory activity; reviews and sunseting; prompt payment; common commencement dates; mobile food businesses, and a transferable certificate of compliance; linking planning application fees to the performance of planning authorities; extending statutory review mechanisms to challenges against Scottish Ministers' decisions in infrastructure projects

Better regulation is crucial to delivering sustainable economic growth and providing a favourable business environment in which companies can grow and flourish. The Scottish Government is committed to Better Regulation and is bringing forward a Better Regulation Bill to further improve the way regulations are applied in Scotland and address concerns raised by business about regulatory inconsistency. Consultation is vital to ensuring that this Bill is fit for purpose before it is passed through Parliament.

<http://www.scotland.gov.uk/Publications/2012/08/8403>.

Scottish Environment Statistics 2012

Scotland's Chief Statistician has recently published Key Scottish Environment Statistics 2012.

This publication aims to provide an easily accessible reference document which offers information on a wide range of environmental topics. It covers key data sets on the

state of the environment in Scotland, with an emphasis on the trends over time wherever possible.

The published data is supplemented by text providing brief background information on environmental impacts, relevant legislation and performance against targets. There is also an environment overview outlining the main messages of the statistics.

The publication can be found on the Scottish Government website at:

<http://www.scotland.gov.uk/Publications/2012/08/2023>

Radioactive Waste and Nuclear Decommissioning Policy Team
Scottish Government December 2012”

7. External Meetings and Invitations

NDA's National Stakeholder Event, Manchester, 30th November 2012

The Chairman summarised the Event. John Clark, the NDA's Chief Executive Officer had given an overview of the NDA priorities. Sellafield was the No 1 priority due to its high level waste. The Magnox/RSRL competition is entering the tendering process and the bidders will visit sites in the new year. Magnox MOP9 strategy was discussed. The NDA is happy with the performance of all of its sites. The NDA has reduced its operating costs by £100m, mainly due to streamlining administrative procedures.

Neil Baldwin, Chair of the Nuclear Skills Academy, gave a very good presentation, focussing on employment. It is encouraging to hear of an upturn in the number of younger people joining the nuclear industry. On the second day of the Event, the future of the NDA going forward was discussed, as well as the Comprehensive Spending Review and community engagement heading towards the Care and Maintenance phase at Chapelcross. The Chairman commended the presentation given by Mr Grierson and Mrs Chris Brown on the 'Beyond Chapelcross' project, which was very well received and which gave other Site Stakeholder Groups some ideas as to how this might work for their sites.

Questions and Observations

Cllr Dryburgh referred to the Engineering Construction Industry Training Board (ECITB) and asked if use is being made of this. Mr Grierson confirmed that various training courses are available. Cllr Dryburgh advised that Magnox pay a levy to this body and can claim money back from it for training.

Scottish Sites Meeting, Edinburgh, 31st October 2012

Cllr Peacock gave a verbal update on this event which he attended with Cllrs Ogilvie and Marshall and Mr Grierson. Some sites are setting out their own strategies for decommissioning and care and maintenance due to the Government's delay in committing to a policy for higher activity waste. Various sites gave presentations at the meeting. The ONR expects to be a statutory body by 2014. Cllr Peacock was concerned that not every Site Stakeholder Group appeared to take waste disposal seriously and felt it important that this Steering Group works with Magnox at Chapelcross to make the site safe for future generations.

Questions and Observations

Cllr Dryburgh was concerned that the new Parent Body Organisation (PBO) could affect staff and stressed that the views and concerns of staff must be taken into consideration by the new PBO. Cllr Ogilvie confirmed that one of the criteria is that the bidders must have a good track record of employee relations.

8. 'Beyond Chapelcross' Presentation – First Year Update

Mrs Chris Brown introduced the 'Beyond Chapelcross' Team, with the exception of Mr Jason Syers who was not present. She stressed that the project, which is a holistic approach to trying to mitigate the effects of the closure of Chapelcross, is very much a team and partnership effort and the Team reports directly to the Chapelcross Site Director. Mrs Brown gave an overview of the project, which was followed by presentations by the members of the Team on Key Performance Indicators (KPIs) achieved (see attached). The Team also summarised some of the Successes and Challenges and the Lessons Learnt and Way Forward. The Key Performance Indicators for 2013 were explained and a 'goodie bag' of promotional materials provided for each member.

Further information can be found on the Beyond Chapelcross Website:
<http://www.cxproject.co.uk/>

Questions and Observations

Mrs Callander conveyed the feedback and thanks from many of the employees at Chapelcross who feel that the support they have received from the Beyond Chapelcross project is phenomenal. Cllr Dryburgh echoed Mrs Callander's comments and thought that the assistance with CV writing had been particularly helpful.

Cllr Peacock asked the definition of a 'business intermediary'. Mr Taylor replied that this is an organisation in between the public sector and private business who deliver a service to assist businesses, such as Banks, Accountants, Property Agents, Developers, etc.

Cllr Peacock asked what type of new businesses were being started up. Ms Bamford responded that there was no pattern and they had seen a wide range of new businesses set up, including hairdressing and beauty, childcare, car valeting and sports coaching.

Cllr Marshall praised the excellent presentation and was not surprised that the reaction from the NDA and other Site Stakeholder Groups was favourable. He thought this was clearly an example of best practice and congratulated the Team. He reminded Members that the concept had been developed through the Chapelcross Site Stakeholder Group and had been hard work but definitely worth the effort.

Mrs Brown thanked the SSG for its support as well as the NDA and Mr Grierson and his Team.

9. CoReS Update

Mrs Brown advised that much of the update had already been covered through the 'Beyond Chapelcross' update. Windermere Road is now moving forward and a meeting will be held in early January. An update will be circulated through the Secretariat after the meeting.

Mr McNairn asked if there was a delay on the Windermere Road project. Mrs Brown understood that the delay had been with the Planners and Scottish Enterprise and related to the residential element and not the commercial side. Cllr Marshall confirmed that work on the Business Park is on schedule for completion in March and that it is the residential element which has been delayed.

10. Any Other Business

The dates for the 2013 meetings are Fridays at 10am in the Council Chambers, Annan 15th March, 7th June, 6th September and 13th December.

11. Public Forum

No comments.

12. Next Meeting

The Chairman thanked everyone present and wished them all the compliments of the season.