

## SME Steering Group - Scotland

### Meeting 4 – 6 June 2014 Scottish Enterprise, Edinburgh, Scotland

#### MINUTES

##### Attendees

<b>SMEs:</b> <b>Chair:</b> Peter Murphy (PM), Turnbull & Scott Wendy Pring (WP), KCP Ltd	<b>Tier 2s:</b> Adrian Peckitt (AP), Nuvia
	<b>Support Organisations/Guests</b> Neil Fraser (NF) Scottish Enterprise
<b>SLCs:</b> Kenneth Linn (KL), DSRL	<b>NDA:</b> Ron Gorham (RG) Pippa Kelly (PK)
<b>Apologies:</b> Stephen Sutherland (SS), JGC Engineering Bob McKee (BK), McKillop Engineering & Projects, Keith Muir (KM), Highlands & Island Enterprise Shaun McLaughlin (SM), McLaughlin Construction	Sam Dancy, (SD) NDA Ken Nicol (KN), DSRL, Bertie Williams, (BW), NDSL David Craig (DC), Nuvia

#### 1. Introductions and apologies

#### 2. NDA Update

SME direct and indirect spend figures for 2013/14 have been submitted to Government – achieved 19% £300,30m spend within the SME community against a target of 17%. NDA deliberately only target the top 25 spend suppliers. NDA Estate measured only 10% of spend with SME's 2 years ago.

Biggest drivers for improvement has been the high profile of the SME agenda with keen Ministerial interest, working with the SLC's on their Socio Economic and Growth Agenda's, involvement of Tier 2's and an SME community willing to adapt to the market requirements. DSRL reported a good history of working with local SME businesses and continuing to look at lotting strategies to be modified to suit SME's as well as Tier 2's.

Nuvia reported that a key element is to look at the package of work offered and break it down in to subsections more capable of a mixture of companies. Although this can add increased management costs of the contract, the benefits of flexibility could outweigh this.

Next issue is how to quantify SME involvement more effectively – following a meeting with SL (see later point)

#### 3. Scottish Enterprise

Development of a new stage of the Nuclear Supply Chain programme has received approval for funding. To be run jointly with the Highlands and Islands Enterprise (HIENT). Programme planned to include a meet the buyer event, increased industry led involvement and considering whether New Build options (for south of the border) could be included. Scottish Government have recognised that despite the decision not to follow Nuclear Energy Production in Scotland, many opportunities for Scottish companies exist elsewhere within the UK and Internationally and support is still required to help these SME's and larger companies access the work. Requires the National and Regional Government depts. to have understanding of what is being planned.

**Action : NF to communicate with SDI and UKTI to ensure dialogue continues.**

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SME Steering Group keen to support this initiative and SE are keen to promote a 2 way information flow into and out of the group to the Project.

Other markets such as Decomm North Sea were proposed as opportunities for SME's currently in the Nuclear Decomm Industry. NF commented that Exploration and Production companies are finding more innovative ways of extracting additional oil and gas from existing fields, leading to decommissioning timeframes being revised and pushed back in some instances.

RG raised concerns over short notice requests received for international opportunities for SME's and the NDA's lack of a directory of names to supply for marketing. A similar problem to the other Steering Groups to create a list of SME's in the Nuclear Decomm market available for domestic and international work. Any list needs to have minimum maintenance requirements and onus for updates on companies registering.

A list of 200 possible SME's exists from supplier days in Scotland, could be the basis for a list of companies, requires some 'scrubbing'.

**Action : List to be divided amongst committee and called to ascertain interest in being part of a directory for Nuclear work, PM and WP to create a 'script' for initial telephone call then divide list for calls.**

**Action : All to consider any readily available systems for creating a directory without creating from scratch – AP to look at Nuvia systems, PK to consider any Livelink options.**

#### 4. Sharing and Growth, Fit 4 Nuclear and SC21

Following the discussions at the National SME Steering Group, it is clear that there is no opportunity for new companies to join the Sharing and Growth programme and unlikely that a third phase will be undertaken at the close of the current sessions. Focus will be placed on to the Fit for Nuclear online assessment of readiness for the Nuclear Industry. Changes are being made to the web based analysis tool to include a greater Decommissioning element.

Along side this the NDA and the SLC Commercial Directors are keenly discussing the possibility of using SC21 (Supply Chain for the 21<sup>st</sup> Century) as an industry standard. Concerns that SC21 require a sponsor need to be clarified and also that it could be too onerous for a small SME to complete. Discussion over whether Fit 4 Nuclear and SC21 could be complimentary or staged elements to cover small to larger companies, perhaps based on business value? Fit 4 Nuclear currently only a manufacturing tool therefore consideration needs to be made for non-manufacturing companies.

**Action : Future Agenda item : Fit 4 Nuclear Experience**

#### 5. Insurance, Payment Terms and Security Issues

Response to email from PK requesting any issues, experiences on the above issues.

- Turnbull & Scott used the briefing note with their Insurance company and it was helpful.
- KCP not experienced any problems to date, current concern was indemnity levels requested.
- BM emailed concerns regarding contacts with Willis following presentation from KS at the last meeting. PK forwarded to KS for investigation.

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#### 7. Contracts Finder

No further forward, Cabinet Office still developing new system, SD is NDA contact point and will update the group on situation as soon as it moves forward. C. Office still interested to use the Scottish SG to test the new system when it is available in beta release.

#### 8. Sellafield and SME Steering Group Meeting

Following concerns raised by all SME steering Groups, a meeting was held between Sellafield, NDA and representatives of the SME Steering Groups, chaired by PM.

No minutes were issued for this meeting but feedback from all attendees was a positive discussion was held

Action points from this meeting

- SL are working on a version of their Procurement Plan which will highlight particular SME opportunities.
- SL are working with their large Tier 2 companies to ensure a consistent message regarding SME's
- SL will consider a complimentary strategy to sit alongside their existing Alliances.
- SME Steering Group Chairs to work on how to measure the SME Agenda using other tools not just Spend targets.

**Action : RG to consider a follow up to this meeting**

#### 9. Terms of Reference

Following the National Steering Group Meeting, the Chairs agreed to take back the revised Terms of Reference regarding the tenure of Committee Members. Chairs will be rotated every 3 years serving a 4<sup>th</sup> year as an SME member only. SME's to be rotated out by 25% and Tier 2's every 2 years. Emphasis to maintain a good working committee whilst maintaining the opportunity for new/fresh companies to join. No objections were raised to this.

#### 10. AOB

2014 NDA Supply Chain event to be held on 6<sup>th</sup> November in Event City, UKTI to hold International presentations on 7<sup>th</sup> November in Manchester. New to the event will be the MOD Submarines covering not only their Decommissioning but also support and new build programmes.

SME Mentor scheme is underway with all Mentors and Mentees having been given either a workshop or webinar training. Mid term meeting being planned to evaluate the scheme and monitor progress. PK to be central contact point for Mentees/mentors and each group have a closed Linked In group for discussions.

**Action : KL to supply possible dates for next meeting to be held at either Hunterston or Chapel Cross in September (excluding Fridays) to PK. John Vieth, Magnox to be invited as a guest.**