

SME Steering Group - Cumbria

Meeting 13 – 2 February 2016, BEC, Ingwell Hall, Moor Row

MINUTES

Attendees

<p>SMEs: Chair: Claire Wilcock (CW) Westlakes Recruitment Peter Woolaghan (PW) React Engineering Terry Meighan (TM) Blue Stream Consulting Andy Hooper (AH) Westlakes Engineering Ian Park (IP) Park Gate Tony O'Pray (TP) TIS Ltd Mike Nichols (MN) PacTec Sarah Purdham (SP) Prima Uno Karen Markham (KM) Meldrum Electrical Sarah Cooper Safety Critical</p>	<p>Tier 2s: Graeme Mackenzie-Netherwood (GMN) MITIE Mark Watters (MW) Carillion Sam Ulyatt (SU) Cavendish Nuclear</p> <p>Support Organisations: Janet Addison (JA) BEC</p>
<p>SLCs: Stuart Wilson (SW) Sellafield Ltd Robert Astall (RA) Sellafield Ltd</p>	<p>NDA: Pippa Kelly (PK) Sam Dancy (SD) Juliet Frost (JF)</p>
<p>Apologies: Sarah Mitchell (SM) Copeland BC Ron Gorham (RG) NDA Kurt Canfield (KC) Safety Critical</p>	<p>Chris Jennings (CJ) NDA Claire Maxwell-Smith (CMS) NDA</p>

1 Apologies, Introductions and Minutes from previous meeting

Apologies were received from the above members and new members introduced themselves including some who were representing their companies for the first time at the meeting.

2 Review of minutes and actions from last meeting

CM ran through the minutes with all present and each action was reviewed and where possible closed. Please see separate sheet of actions.

Additional concern raised by TP on only looking retrospectively at the SME usage by Tier 2s. SW explained that Helen Fisher, SL, will be looking at the promises made by the Tier 2 at tender stage for SME involvement and whether this is carried out in practice during the contract. In some instances there may be valid reasons why the SME was not used (performance etc)

Action : SD & SW to discuss with NDA and SL Legal teams over how to ensure proportionality on Risk/IP/PL is interpreted correctly through the supply chain. Consideration on whether risk should be transferred down the chain or sit at the SLC level.

Action : Group asked to consider any other industrial clients that may have alternative (better) ways of handling transfer of risk/IP/PL through the Supply Chain and respond to NDA Supply Chain

3 NDA Update - SD

NDA are in the final stages of consultation on the Strategy document that it is obliged to publish every 5 years. The draft strategy document is available for viewing on the NDA website and comments or suggestions are welcomed by 16th February.

Also in preparation is the NDA SME Action Plan for 2016. The current plan is also available on the NDA website and NDA Supply Chain team would welcome any suggestions or thoughts on new or revised actions for the plan by mid February to help us to achieve the new SME targets and spend reductions imposed as a result of the

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final Comprehensive Spending Review. The Action Plan is intended to cover all NDA sites with local variations by each SLC.

Feedback from the NDA Supply Chain event in November showed how well it is regarded and the majority of the respondents indicated that they would prefer the event to remain 1 day with a 9.30 start time. The order for the next event is being completed currently and the date (again 1st week Nov) will be announced shortly.

As mentioned above, the CSR has been completed and the NDA result was better than may have been expected. With an award of £11bn over 4 years, and SLC budgets announced before Christmas, it is anticipated that most of the planned projects will continue. A £1bn reduction in costs has also been imposed and it is hoped that this will come mostly from more efficient working practices within the NDA and SLCs and not from a cost cutting exercise within the Supply Chain. Support and suggestions on how this could be achieved would be well received by both NDA and SLCs.

The anticipated changes to the SL contract will take place on 1st April when Sellafield becomes a Wholly Owned Subsidiary and NMP are no longer the Parent Body Organisation. Intense effort has been put in at both SL and NDA to clarify how relationships work in the future with a removal of duplicated roles and reassignment of staff that should lead to a more effective team. All this should not significantly affect the Supply Chain.

A new Chair for Sellafield, Tony Fountain has been announced, he is not new to the industry and was at one time the CEO of the NDA. Paul Foster is confirmed as Managing Director and has made it clear that SL will be making some dramatic changes to move forwards in this new era. This should include demonstrable changes to the relationships with the Supply Chain. The Strategic Partner has not yet been chosen but companies have been in technical dialogue with SL last year and the process will continue through February but no formal contracts can be let until the new SL Board has taken up its position in April.

LLWR will be presenting a new concept for a dynamic 'Business Services Marketplace' on 3rd February at Energus to offer an alternative method for procurement to the Framework structure. The model for this has been developed by the Government and is in place within the NHS meets all the OJEU requirements. Companies will be invited to register their interest in bidding for future work through the CTM programme and will be asked to complete a standard PQQ. Each company will then be assessed within 10 days and once they are approved they will be able to bid for any packages of work LLWR within the Business Services suite of procurements (Legal, HR, financial, contract management, environmental services, training etc). As this is Government recognised method to go to market it allows LLWR to access companies that may not already be registered on the major Government Frameworks therefore allowing the possibility to use more local and SME companies and give LLWR a greater opportunity for realising value for money for the Estate. The plan is to have the system up and running by April 2016.

Wylfa, the NDA's last remaining generating site finally ceased operation in December and will now move into the decommissioning phase.

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4 Structure for future meetings

The Chair proposed a modified structure to future meetings and asked for the group's feedback or ideas on 6 categories listed in the Agenda :

- Contract visibility / opportunities
- Working in collaboration with Tier 2's
- SME spend / SME qualification
- Appropriate T's & C's / PQQ's
- Cone
- Steering Group Framework plan

The first 4 were agreed and each item discussed :

a) Contract visibility / opportunities

LLWR – see above

SL – Open the Door event to be held at Energus on 25th Feb, last place now filled but may be repeated if successful format

Tier 2 Governance Group (representative is GMN) are considering whether a further SME portal is required – SD asked to be kept informed as the NDA are concerned that further options for finding work could cause confusion in the supply chain – all opportunities from SLCs should be offered through Contracts Finder and it is hoped that Tier 2 companies will also migrate to this platform soon.

b) Working in collaboration with Tier 2s

It is recognised that there is no formal route for communication between most Tier 2s and the SMEs beyond the current Steering Group and the Tier 2 Governance Group (currently 20 Tier 2s involve in this group). In future GMN will be the representative of the Tier 2 group to the SME SG and Claire Wilcock the SME representative to the Tier 2s, both to attend each meetings or send a representative, and keep the 2 communities aware of progress.

CW was impressed by the range of actions being undertaken by the Tier 2s but the group suggested that the SME steering group volunteer to 'peer check' the proposals for the Tier 2s.

Action : GMN to take this proposal back to the Tier 2s and circulate details sub groups to the SME SG.

There are plans to expand good practice developed by the 20 beyond the group to other Tier 2s.

PK suggested GMN consider presenting to the Tier 2 CEO meeting in June

CW asked the Tier 2s and SLC reps what can SMEs do themselves to improve their chances? Are there particular areas that they do not make the most of themselves? GMN responded that increased exposure would help – many Tier 2s don't know who is out there.

SW proposes that SLCs challenge Tier 2s at Exec level to ensure better engagement with SMEs at a lower level – tendency to say the right things but not see the same culture through the whole company. SL intend to start 'policing' the contracts to push Tier 2st to engage as promised.

c) SME Spend/SME qualification – already discussed earlier in the meeting.

d) PQQ's, IP and T&Cs etc

Any issues regarding payment or other flow downs not being seen in the supply chain should be brought to NDA attention.

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NDA considering how best to ensure that all suppliers fully understand how to raise concerns, particularly with late payment, even anonymously without fear of losing future business. SU and SW both highlighted that immediate raising of the issue with the first line of contact (ie the contractor) by telephone was often the most effective method, only to escalate if not resolved, can often be a simple misunderstanding of the systems in place at a larger company such as Purchase Orders that can cause missed payments. SW also pointed out that it was often not a clearcut issue but could be a number of reasons for failure to pay with fault on both sides.

Action : NDA to consider whether a methodology or charter could be helpful in guiding Suppliers and supporting SMEs when such issues arise.

Action : SW to bring recurring issues to the group so that they can be highlighted to other SMEs as part of point 2 on how SMEs can improve themselves?

e) CONE (Centre for Nuclear Excellence)

This group are made up from LEPs and local government and members of the Nuclear industry to promote Nuclear Excellence in Cumbria (although mostly West Cumbrian based).

It is unclear to many in the SME SG what the remit is for CONE and how they intend to proceed. JA has attended some of the meetings and was unable to give much insight into the 'mission' but is happy to be the representative of each group. It was not thought that this would necessarily be a key subject area for discussion at each meeting.

5 Supply Chain Events

CW suggested there are many 'supplier' and 'nuclear' events held and asked the group for feedback on those they felt were worthwhile to attend.

Nov NDA Supply Chain Event was generally regarded as a 'must attend' opportunity
23rd Feb Opening the Doors – SL, the purpose is to have more direct networking and less presentations

3rd Feb LLWR Business Services Market Place – open to all to understand more fully how the system will work

17th & 18th Feb NAMRC – 2 workshops on Quality and contracts – both already filled but more may be planned

19th Feb BEC BC – Pitching for Business (see BEC BC website)

24th Feb DONG Event in Barrow (see BEC BC website)

14th April Business in the County – supporting local charities in West Cumbria

SW asked for feedback on the Sellafield Supplier Forum – MN generally supported although mentioned that having more project and technical personnel available rather than just commercial would help the suppliers to be able to support innovation and offer transformative solutions rather than simply comply with the tender on offer.

6 AOB

GMN gave an example of SMEs working to promote themselves with a group calling themselves the 'Cumbrian Larder' based on the idea started in Somerset to support the new Nuclear build at Hinkley Point. It is a group of local food suppliers presenting themselves together to Mitie and other large groups to promote use of local SMEs rather than larger national or international suppliers.

PK asked if anyone had used the new Triple Bar training? NDA are creating a budget to fund Triple Bar training for Micro and small SMEs in conjunction with NSAN. Only KM

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had experience and found it useful to be able to do the training for all Nuclear sites off site when required. This meant less lost time for employees sitting on a Nuclear site and not being productive. PK asked if anyone could provide examples of how they or colleagues had benefited from the system to provide for a presentation to SL in March.

CW announced that she would be leaving shortly on maternity leave but hoping to stay on as chair but Mike Nichols would be acting as deputy should she be unable to attend meetings.

Next meeting - PK is looking for volunteers to host the next meeting in approx. 3 months.