

SME Steering Group - Cumbria

Meeting 16 – 13.04.17 React Engineering, Cleator Moor

MINUTES

Attendees

| | |
|--|--|
| SMEs: Chair: Bob Allison (BA) Meldrum Ltd Mike Nichols (MN) PacTec Ian Park (IP) Park Gate Phil Redfern (PR) React Engineering Allan Hall (AH) Prima Uno Claire Wilcock (CW) Westlakes Recruit Andy Hooper, Westlakes Engineering | Tier 2s: Mark Watters (MW) Carillion |
| SLCs: Robert Astall (RA) Michael Moore (MM) | Support Organisations: Janet Addison (JA) Cumbria LEP NDA: Pippa Kelly (PK), Ron Gorham (RG) |
| Apologies: Sarah Mitchell (SM) Copeland, Andy Hooper Westlakes Engineering, Pete Woolaghan React, Terry Meighan Blue Stream Consulting, Martin Chown Sellafield, Sam Dancy NDA, Sarah Purdham Prima Uno, Neil Proud Cavendish Nuclear, Kurt Canfield Safety Critical | |

1. Minutes of last meeting and outstanding actions

Update on the extension of CTM to include 29 out of 30 invited large, Tier 2, suppliers to include their opportunities. An estimated £250m worth opportunities should be included in the next year. Updates on actions from previous meetings at the end of minutes.

2. Briefing on recent SLC Directors Meeting

Presentations given on the day have been circulated to the group. Key points to note are that both SL and Magnox will be reducing their direct engagement with SMEs as the focus for the next period will be on large capital projects. The SME chairs (and deputies) collated a list of 3 key actions they would like the SLCs to focus on to improve the quality of involvement with SMEs :

- a. PQQ's at Tier 2/3 level to be consistent. Currently suppliers using multiple different systems that are not recognised by each other and involve a number of costs for SMEs, with potentially duplicated data for the same ultimate tender. MM explained that the SL Tier 2 governance group are aware of this and will be following up with the SLCs on any future options to streamline the process.
- b. Reviewing tender documents before issuing to bidders, multiple modifications during bidding process prove time-consuming and costly.
- c. Engagement in future work. SSA will be considering this topic and working on an Estate wide solution.

NDA announced that in future it will be including single person limited company data in the SME figures published and submitted to Cabinet Office in line with the rest of Government Departments. This will not be back date to previous years. Comparison data will be published to show the two sets of data. Not included in this data will be any PAYE staff, and all companies included will be subject to the EU definition of an SME.

Action : Ensure both sets of figures are available for review – location tbd PK

3. Update from NDA

A new CEO, David Peattie, has joined the NDA from BP and a new Chairman, Tom Smith who was previously a non-Executive Director on the NDA Board.

Final settlement agreed between the NDA and Energy Solutions and Bechtel and all the moneys for this have come from within the NDA own funds.

SME Steering Group - Cumbria

Meeting 16 – 13.04.17 React Engineering, Cleator Moor

The PBO (Parent Body Organisation) contract with Cavendish Fluor Partners terminating in 2019 -no reflection on the performance of CFP. Work to continue as planned with no change in the momentum.

The Government has announced a formal investigation to be led by Mr Steve Holliday into the litigation following the PBO contract awarded to CFP.

Concern raised that Supply Chain suffers when changes to PBO contracts are made. NDA Site facing team and Andrew New (Magnox) are aware of the concerns and will be working together to limit impact, further updates to be given to the Chairs at the next Commercial Directors/SME Chairs meeting in 6mths

Action : confirm next date of Commercial Directors/SME Chairs meeting – PK

Government working on comparing SME usage across categories, starting with Facilities Management. BEIS also considering how the SME Agenda is driving growth in the economy. Evidence to drive policy and BEIS will be tracking companies who are no longer SMEs to review success (growth vs acquisition, success or failure?)

Sam Dancy will be leaving the NDA in May to join AWE and NDA are pleased to announce 2 new members in Supply Chain : Caroline Wood as a Supply Chain Manager and Ian Johnson as Head of Supply Chain Delivery.

4. Sellafield update - RA

Spend in 2016/17 has continued as in 2015/16 with £1bn spend in the supply Chain. New contracts account for £169m and 90% have been competitively awarded. Most of the spend is down to works in progress through existing frameworks and there have been less new opportunities this year. In relation to the action listed – SL will publish a geographical report on where the SMEs involved in SL are located.

Procurement opportunities continue to be published online with the new plan available in May online with a 3 year forward view. The report should be divided into 3 sections :

- a. Scheduled procurements
- b. Strategic approach
- c. Procurements on a page

Action : feedback sought by RA on the usefulness of the procurement documents published above

Reprocessing at Thorpe will finish in November 2018 and Magnox in 2019. This is 25% of SL site work and will therefore require a significant re-deployment of personnel. At this time, major changes to the requirements and mission of the site will focus on a strategic direction to move from make to buy and improve the agility of SL to respond to the requirements of decommissioning.

Final decision on the Programme, Projects and Procurement Partner is awaited from the Minister.

Social Impact Group – MM

Changes to Sellafield's Social Impact strategy (was Socio Economics) places more focus on long term sustainable outcomes through improved collaboration and co-ordination with supply chain and stakeholders. The updated strategy is expected to be published in May/June.

SME Steering Group - Cumbria

Meeting 16 – 13.04.17 React Engineering, Cleator Moor

The T2 Social Impact governance group has 3 sub-groups : Skills (headed by Paul Fletcher AMEC), Growth (headed by Les Turner Morgan Sindall), Community (headed by Gary Savage Mitie). The Skills group are currently focusing on co-ordination of the support into secondary schools and the potential of including primary schools into the programme, aim is to inspire local students with the range of opportunities available whilst also looking at the changes of skills required as Sellafield transitions from Operations to Decommissioning.

The Growth group is currently looking at ways of improving access for smaller businesses with the T2 community, and how to support local businesses to look outside the local nuclear market to grow their Capability, Capacity and Diversity. The Community group is currently looking at ways to co-ordinate the resource and equipment/materials available in the supply chain to match the evidenced needs of the communities around our areas of operation.

5. Update on other SLC sites & SSA

Covered by earlier discussions

6. Deputy Chair and representatives on other groups

Request from the new chair for volunteers to represent this group on the various other committees in the region.

Action : List of all groups to be circulated to members for volunteers BA

Deputy, suggested a rotating deputy or volunteers to cover potential absences

7. Case studies from SMEs working on Estate

NDA have a standing request for an case studies of either good (or difficult) examples of working on the estate. A proforma is available on request. These are used both internally and with Government to review progress and highlight best practice.

8. AOB, Lunch & close

Paul Unsworth to be invited to the next meeting to update the group on changes to the SSC (Sellafield Supply Chain) group – BA/PK

Action : Proposal to increase awareness of the group and its function by using Social Media (Linkedin Group?) – investigate options CW

Action : Any input required to the New Nuclear Build event to be passed to JA who will be attending.

Next meeting : proposal for early July, Carillion offered to host

Outstanding actions for closure :

Action : Group to be updated around October 2017 – NDA

Action : Review the guides produced by the Northern and Welsh groups for updates and possible modification to make more 'online' friendly - MN/KC/BA

Action : SME data collection – flow chart/publication – NDA (new staff member)

Action : Top 20 Direct SME spend to be published – available on NDA website under corporate reports - closed

Action : Local SME spend to be published – RA by end of May 2017

Action : Invite NuGen to join the group – discussed that CoNE representative would not be appropriate. Invitation again to be extended to BAe - MN

Action : IP position clarified by NDA – each SLC to publish their own – updates required by SL/Magnox

Action : invite Helen Fisher, SL Socio Economics to attend – Michael Moore attending for SL

Action : Encourage closer ties with Tier 2 Governance Group – Les Turner - Closed