

## **Memorandum of Understanding (“MOU”)**

Among

**Dumfries and Galloway Council,**  
a local authority

Constituted by the Local Government (Scotland) Act  
1994 and having its principal offices at English Street,  
Dumfries, DG12DD (“the  
Council”)

and

**Nuclear Decommissioning Authority,**

a non-departmental public body of the British Department of Energy and Climate Change,  
formed by the Energy Act 2004 (“the NDA”)

and

**Scottish Enterprise,**

established by the Enterprise and New Towns (Scotland) Act 1990, having its principal office  
at Atrium Court, 50 Waterloo Street, Glasgow, G2 6HQ (“SE”)

WHEREAS the parties have a shared interest in the future development of the former nuclear  
power station site known as the Chapelcross Site, Annan, Dumfriesshire, DG12 6RF  
(“Chapelcross”) and wish to enter into this Memorandum of Understanding (“this MoU”) to set  
out their respective interests and proposed involvement in seeking to redevelop and stimulate  
new economic activity at Chapelcross (“the Purpose”).

The parties agree as follows:-

### **Parties’ Respective Interests & Roles**

1. The primary interest and proposed role of each of the parties in relation to the Purpose is  
as follows:-

The Council is the public authority responsible for local public administration in the Dumfries  
and Galloway region. In addition to this it has interest in overseeing the Regional Economic  
Strategy which highlights the M74 corridor and the Chapelcross site specifically as making a  
significant contribution to the economic wealth of the region.

NDA is the owner of the Chapelcross site and is responsible for delivering the  
decommissioning and clean-up of the UK’s civil nuclear legacy in a safe and cost-effective  
manner, and where possible to accelerate programmes of work that reduce hazard;

Scottish Enterprise is a national economic development agency offering insights and  
expertise in key growth sectors for Scotland and identifying strategically important  
investment opportunities that can impact positively on the national economy.

## **Delivering the Purpose**

2. The parties will work together for maximum effect and with other stakeholders to deliver the Purpose. In particular, the parties will seek to agree (with reference to the documents identified in the Appendix) an action plan setting out appropriate roles, responsibilities, work streams and milestones in support of delivering the Purpose (“the Action Plan”).
  
3. The NDA will:-
  - Be full and active members of the Joint Coordination Group and Project Team described below:
  - fund regular (at least every two years or as required by the Group (defined below)) update studies assessing the impact of the activities carried out pursuant to this MoU (including implementation of the Action Plan) on the socio-economics of Dumfries & Galloway.
  - fund processes to ensure community views are taken into account as the NDA develops its plans and strategies;
  - ensure existing stakeholder groups funded by the NDA continue to review performance of the NDA comment on strategies and plans and inform the NDA of decision-making; and
  - give due consideration to funding activities and elements of work required to deliver the NDA’s undertakings under this MoU.
  
4. Dumfries and Galloway Council will:
  - Be full and active members of the Joint Coordination Group and Project Team described below:
  - Offer to act as accountable body for activities deemed fundable under this MoU
  - Take leadership of the delivery of business plans emanating from the adopted Chapelcross Development Framework
  - Make cash and in kind contributions to activities felt supportable under this MoU
  - give due consideration to funding activities and elements of work required to deliver the council’s undertakings under this MoU.
  
5. Scottish Enterprise will:
  - Be full and active members of the Joint Coordination Group and Project Team described below;
  - Share relevant insights and expertise on nationally significant developments and opportunities within key growth sectors; and
  - Provide support and advice on the development and delivery of robust business cases, as and when appropriate.

## **Governance & Project Management Structure**

### Joint Coordination Group

6. The parties will establish a joint coordination group (“the Group”) and each party will nominate at least one representative of a senior level to join and actively participate in the Group, including attending meetings of the Group as required and at least once a year.
7. The Terms of Reference of the Group will be agreed at its first meeting to facilitate implementation of this MoU, including:-
  - giving strategic guidance to the Project Team and ensuring it operates within agreed performance parameters;
  - resolving any problems referred to the Group by the Project Team and identifying, considering and, if possible, resolving any problems of a general nature arising from the practical application of this MoU;
  - making recommendations for changes or additions to the Action Plan as necessary, subject to agreement by all signatories;
  - considering the implications of the NDA and regulatory body policy decisions and their impact on the Purpose.
  - keep relevant stakeholders engaged and informed of progress of all activities embodied under this MoU providing regular update reports to Scottish and UK Governments.

### Project Team

8. The parties will establish a project team (“the Project Team”) and each party will nominate one or more representatives to join and actively participate in the project team, including attending regular (initially, monthly) meetings of the Project Team.
9. The parties intend that the Project Team will:-
  - comprise the following:-
    - 9..1. three representatives of DGC, including a project manager, project co-ordinator (meetings facilitator and secretariat) and Head of Service for strategic projects;
    - 9..2. two representatives of NDA, including the Director of Property (or nominated commercial property agent) and Director of Socio-economics;
    - 9..3. one representative of Magnox;
    - 9..4. one representative of SE; and
    - 9..5. representatives of such other stakeholders as the parties may agree, which may include the lead officer of the Chapelcross Site Stakeholder Group and representatives from the UK Government.
  - manage and co-ordinate delivery of proposals for future development of Chapelcross in accordance with the Action Plan;
  - be proactive and pragmatic in its approach to implementing the Action Plan, including making appropriate recommendations to the Group for changes to the Action Plan to respond to changing circumstances having regard to, among other things, commercial and economic developments affecting Chapelcross;
  - be responsible for identifying opportunities for the redevelopment of Chapelcross, including the development of robust, evidence based business cases with a strong strategic fit, in order to foster stakeholder support for pursuing those opportunities; and
  - establish a format for coordinating public messages about the development of Chapelcross, including key joint messages and the development of a protocol for proactive and reactive press relationships.

### **Publicity**

10. The parties may agree to publicise the signing of this MoU and, if so, they will agree an appropriate announcement and related communications. No publicity will be made without the agreement of all parties.

**General provisions**

11. This MoU is an expression of cooperation and collaboration and is not intended to create any legal relationship among the parties (or with any other entity) such as an agent, joint venture, partner, or fiduciary. No party is liable to any other party for any damages, losses, and in particular: special, incidental, exemplary, indirect, or consequential damages, or lost profits, business, value, revenue, goodwill, or anticipated savings arising out of their involvement in this MoU.
12. Where legal regulation is necessary this MoU shall be governed by and construed in accordance with Scottish law, and the Scottish courts shall have exclusive jurisdiction to settle any connected disputes.
13. Without prejudice to clause 11 above, certain principles more commonly seen in legally binding agreements are important to the parties and so the parties agree as follows:-
  - This MoU shall come into effect upon the last date of signing;
  - Any party may at any time terminate its involvement in the activities contemplated by this MoU and so be free from any obligation under this MoU;
  - Information disclosed during the course of the parties' discussions will not be considered confidential, despite any statements or legends to the contrary, unless it is disclosed under the terms of a written agreement for exchange of confidential information signed by the parties disclosing and receiving that information.
14. This MoU is personal to the parties and no party shall assign any or all of its rights and obligations under this MoU without the prior written consent of the other parties.

For: **Dumfries & Galloway**

**Council**

.....

Name in print

.....

Signed

.....

Date

.

For: **Nuclear Decommissioning Authority**

.....

Name in print

.....

Signed

.....

Date

For: **Scottish Enterprise**

.....

Name in print

.....

Signed

.....

Date

## **Appendix**

The documents referred to in paragraph 2 of this MoU are as follows:-

- 1) Chapelcross Development Framework – A Vision for Chapelcross [prepared by Gillespies Yellow Book the PPS Group July 2015
- 2) Building Scotland's International Competiveness, 2015 – 2018 Business Plan (Scottish Enterprise)
- 3) Developing the Framework for a Borderlands Strategy. A Study in November 2015 (Borderlands Steering Group)
- 4) South of Scotland Rural Regional Economic Development Programme 2014 – 2016 (South of Scotland Alliance)
- 5) Regional Economic Strategy 2016 – 2020 (Dumfries & Galloway Council)
- 6) Corridor Regeneration Steering Group 2013 stated aims (CoRES)
- 7) Workspace and Employment Land Study, April 2016 (Dumfries & Galloway Council)
- 8) Local Development Plan. September 2014 (Dumfries & Galloway Council)
- 9) Business Plan 2016 -2019 and Socio-Economic Development Plan (Nuclear Decommissioning Authority); and
- 10) Magnox Socio-economic development plan 2016 -2019; and
- 11) The Energy Act 2014.
- 12) 2020 Route map for Renewable Energy in Scotland – Scottish Government 2013